the Freeman

Ideas on Liberty

MARCH 1973

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FREEDOM... *what is that?*

RALPH BRADFORD

MY ELDERLY and somewhat crusty friend had read that I was to address a local service club, and he asked me what my theme would be.

Rather absently, for my thoughts were elsewhere, I replied that I had not yet prepared the address, but that I would try to talk about the importance of freedom.

He squinted an eye at me for a moment, then tossed off the question which I've been trying since to answer – not for him, but for myself: *"Freedom, eh . . . and what is that?"*

We do use the word rather loosely, don't we? It sounds good to the ear; it tastes good on the tongue; it evokes pleasant feelings; it tingles the spine; it has patriotic overtones – we live in "the land of the free." It is a good word, freedom . . . but what, exactly, does it mean?

I once thought freedom meant independence – national independence, that is, as when our American colonies separated themselves from England. As a boy I gloried (and still do) in the achievements of Washington and the other colonial leaders and soldiers who wrested the political direction of their lives from the British crown.

And yes, that *was* freedom . . . in a limited contexture of the term. It was an aggregate freedom, a wholesale change of status. The people of the former colonies where thereafter "free" in the sense that they would henceforth make their own rules and regulations, write their own laws, determine their own policies, elect their own governing bodies, impose their own taxes. They were "a free nation."

They were also individually "free" to the extent that the original concept of the Founders was adhered to – namely, the idea

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of a government of and for and by the people, with limited powers and defined responsibilities. They were also "free," and became increasingly so, in the matter of the suffrage.

Denials of Freedom

But even within such a framework there were denials of freedom from the start. Slavery, for instance, had become a part of the colonial economy; and while some early leaders clearly understood and explicitly denounced its evil nature, to many people there was nothing incongruous in having slaves in a nation which, in fine rhetoric, had based its very reason for being upon the principle of individual freedom.

Also, forces were soon at work which have always signalized the diminution, if not the outright denial, of freedom. Such forces are many, but they can be expressed generally as the effort of people, acting singly or in organized groups, to obtain from government advantages which are not accorded, and may indeed be disadvantageous, to others. Under the incessant onslaughts of such privilege-seekers, government becomes a battleground of special interests. The fine abstractions of liberty are replaced by the demands of and for privilege. Freedom becomes secondary to the question, What-can-I-get-out-of-it?

In our country as in all others these demands have multiplied, and their gratification has become, in the minds of many, synonymous with freedom itself. As a result it is now rather general practice to refer to freedom always in the plural. We are no longer blessed with the great boon of freedom; we are the beneficiaries of numerous "freedoms." The result of this has been to cheapen the concept of freedom by counterfeiting its significance. Instead of holding freedom up, not only as a noble abstraction, but as a condition indispensable to the development of a whole man, this practice splits it up into an aggregation of social and economic benefits, advantages and privileges.

Liberty or License?

Thus we hear talk about freedom from fear, freedom from want – and so on through a number of highly desirable objectives – objectives which can be obtained in full measure only under the essential condition of freedom, but which, if provided through the compulsions of statism, may in the long run help destroy the very freedom they are supposed to supplement.

The tendency to confuse liberty with license is strong, pervasive – and ancient. Today it evinces

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certain new manifestations, certain demands that are based on supposedly modern social and economic needs; but counterpart demands can be identified back to earliest times. The history of government has been the story of shifts from the minumum authority necessary to protect citizens in their rights, to the maximum of bureaucracy that results when government has been expanded to gratify the universal desire to secure what is mistakenly believed to be "something for nothing." Whether in Rome or Athens or Memphis or Lagash, the pendulum of government has swung from an early Jeffersonian simplicity to an apotheosis of statism . . . and then to stagnation, decay and ruin.

Freedom is a timeless torch,
Blazing in the dark.

So wrote a minor American poet some years ago.[1] He meant, I'm sure, that freedom is one of the great realities by which men live — like faith, like virtue, like honor. He meant that freedom is not just a desirable political condition *under* which to live, but a principle of life and growth *for* which to live.

Even in stilted dictionary terms there is an inspirational content in the definition of freedom. The condition of being free, says Webster's, is to be "not subject to an arbitrary external power or authority; not under despotic government; subject only to fixed laws which defend from encroachment upon natural or acquired rights."

Responsible Citizenship

It is clear that the highest concern and duty of good citizenship is not to be fretting about a number of so-called "freedoms," but to be alert that men shall progress toward the fulfillment of their highest potential; to be zealous that men shall be truly free — not with four freedoms, or six, or a dozen, as though human liberty could be cut up into segments like a pie, but free in the essential meaning of human liberty, which is to be one's self, to express one's self, to possess one's self. That is the measure of responsible citizenship.

A man named Saul of Tarsus once long ago was arrested by the Romans and put in irons. When he demanded to know if that was any way to treat a Roman citizen, the centurion in charge ran to call the chief captain. The latter was amazed that this prisoner should be a Roman, and he said, "With a great price did I purchase this freedom" — meaning his Roman

[1] The author refers to himself. The quote is from his book *Heritage*, published in 1950 by Judd & Detweiler.

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citizenship, which at that time could be bought if one had the money. And Saul replied proudly, *"But I was born free!"*

Born free! So are most men these days, in the political sense, especially those of the Western World. But like the centurion, those who would remain free must pay the price – a fact that many, alas, have not learned. That price is the eternal vigilance that was enjoined upon free men by John Curran long ago. But vigilance against what? Against whom? External enemies, those who would subject us to "an arbitrary external power or authority?" Yes, to be sure. Against internal plotters and subverters who would bring us "under despotic government?" Of course. But especially against *ourselves!* Against businessmen who want Washington to insure their prosperity; against labor leaders who demand the legal status of special privilege; against farmers (including large corporate agriculturists) who want to be subsidized for producing nothing; against educators who lobby for Federal funds and are willing to submit to Federal control; against community organizations that work to wangle wealth from Washington. To the extent that any or all of those special interests are gratified, they will have helped fasten upon the whole people more debt, more inflation, more assertive bureaucracy, less real and general prosperity – and less freedom.

The mere recital of such practices emphasizes how far we have departed from the dream of those who founded our nation. That dream was based upon the faith that they could build in the new world a society where men were free. Why else did they leave the relative comforts of Europe and come out to what was then the American wilderness? Were they fleeing from wicked kings, who might whimsically chop off their heads? Not at all. The power of sovereigns in matters of life and death had long since been curbed. There were courts, there was trial by jury and the right of habeas corpus; and to a far greater extent than most people now realize there was representative, parliamentary government.

They Came to Be Free

Why then did men flee to America? As time passed various motives were at work – to avoid debt, to escape going to prison, to evade military service, to seek fortune and adventure. But for the greater part men left the older countries simply because in most of them the powers of government had been extended – by parliamentary process, be it remembered – to the

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point that men of spirit and initiative could no longer endure dictation by the state as to the minutiae of their daily lives. They did not flee to America because the king might chop off their heads, but because the king's ministers were taxing them beyond endurance. They fled because they did not want their employments, their wages, their profits, and the terms and conditions under which they might work, to be controlled and directed by the state. They fled, in simplest terms, from too much government. They wanted freedom.

Contradictions

Did they find it here? Never wholly, for man is seldom completely free from one inexorable tyrant – himself. His ultimate battle for liberation is with his own selfishness, which has so often destroyed him; and on this continent he suffered from that oppressor, as elsewhere. And by a strange paradox of human behavior, even some who were willing to brave the wilderness seeking freedom for *themselves* did not scruple to deny it to others, as Roger Williams, Anne Hutchison and eventually several million slaves could woefully testify!

But here, to a greater extent than anywhere else on earth, men were politically free. They had economic opportunity. They had religious freedom. They could worship God as they pleased, or not at all. And especially they were liberated, for a time at least, from the nagging and repressive supervision of the state. There was a newness, a largeness. And there were abundant natural resources.

Urbanization

But in time the prairies were spanned, the mountains scaled, the hidden resources opened up and exploited. Eventually this country reached a new stage: urbanization. Now the farm shrinks; the village decays; the cities fester; megalopolis looms – and beyond the moon Mars beckons. War has eaten up our wealth, increased our debt, divided our people, weakened our pride and lessened our faith. The academy, too often, has become the seedbed of revolution. And despite a general prosperity never exceeded, the doctrine is being preached by many in position to influence our youth that the American economy is spent, and that it can survive only if it is allowed to be directed by a coterie of leftist economists in the nation's capital. All this represents a radical shift in spirit and emphasis from individualism to collectivism . . . and away from freedom.

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An Ancient Fallacy

A fallacy of our times is the bland assumption that the idea of a governmentally "managed" economy is novel and "modern." On the contrary, such ideas are very old, and have been put into practice many times as the centuries have gone wheeling by.

The Romans, in the 3rd Century B. C. had farm loans, crop management and wage and price controls. Under the Emperor Domitian grape vines were uprooted to prevent overproduction of wine. Under Diocletian, in order to combat a rise in the cost of living, both wage and price controls were decreed. Under Vespasian, to help maintain employment a ban was laid on mechanization. Under Alexander Severus the government made loans to enable people to purchase land. Also, all commercial concerns that operated on accumulated capital were put under state control. In time, as a result of external military upkeep and other overseas expenditures, Rome experienced an unfavorable trade balance vis-a-vis the rest of the world. Needless to say, as a consequence of all this, Rome had a vast bureaucracy, unbalanced budgets, enormous debt, inflation . . . and of course, a devalued currency. At one time the denarius had its content progressively reduced, and the weight of the gold coin was cut by 50 per cent. Does all this sound faintly familiar? But it happened over 2000 years ago. The Romans were enlightened — and modern. They had a managed economy![2]

Up and down the ages men, who know they must be governed for their own protection, have set up their forms of social and political management. Being essentially creatures of nature, they have always begun simply. Loving their freedom and personal liberty, they have instituted first those minima of restraint and control necessary for their safety from aggression by their fellows, or by enemies outside their tribe or nation. But being also covetous and acquisitive, sooner or later in the mad search for an imaginary free handout, they have expanded their governments into bureaucratic monstrosities . . . and sacrificed their freedom in the process.

The disastrous experiments that were tried out in the bureaucracies beside the Tiber had been long before enacted in the lower Tigris valley, and in the gloomy palaces along the Nile. And they were to be echoed with variations many centuries later in the repressive guild systems of Europe.

It was this ultimate heritage of self-imposed tyranny, this stifling

[2] See *A History of the World in 300 Pages* by Rene Sedillot, pages 99-101.

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of initiative and smothering of freedom's spirit, that caused men of vision and courage to leave the tired economies of Europe and seek new opportunity and enlargement in what they fondly called the New World.

In that New World they worked out what came to be known as the American Dream; they created what is referred to poetically as the American Heritage. In part that heritage consisted of a vast new continent, enormously rich in natural resources. But other continents had the same riches – Africa, South America. What made the difference? Freedom! Not just political and religious freedom, not just freedom eventually from colonialism (actually, in a physical sense they prospered under colonialism); but economic and personal freedom – freedom for growth through freedom from too much government.

Special Interests

That was the American dream as expressed finally in the Constitution. But almost from the beginning, as we have seen, the new government was beset, as governments always are, by the demands of those who were not content to be protected in their persons, but who wanted something – something special, that is, for themselves, their business, their industry, their union, their farm organization, their state, their city, their community.

For a long time this was resisted. Even as late as 1890 Grover Cleveland was asserting that it was the duty of the people to support the government, not of the government to support the people. And 22 years later Woodrow Wilson was writing: "The history of liberty is a history of limitations of governmental power, not the increase of it."

A Sacred Ideal

If beauty is in the eye of the beholder, perhaps freedom is in the mind of those who discuss and try to define it. Certainly freedom seems to vary with the bias, knowledge or prejudice of the speaker or writer who has it under discussion. There was a time, within the ready memory of most Americans, when freedom didn't need definition or defense. It was a slogan, a shibboleth; like beauty, it was its own excuse for being. To invoke the name of freedom was a clincher in most any argument about the condition under which men should live. It was an idea that transcended analysis or question.

But today it is weighed, debated, analyzed, compared – and denied. It is alleged by some to be a relative thing. Ask of them

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whether the Russians are free and you get an equivocal hedge to the effect that it depends on what we mean by freedom. Ask, are the Chinese free under Mao? For reply you get something like "well . . . things are relative. In our society we place major emphasis on individual achievement and progress, and by our values the Chinese might be said not to be free. However, their system does not center about the individual, but exalts the State. In such a society it is no denial of freedom to make the individual completely subordinate to the State."

Those who support such ideas of freedom are usually the same people who profess to be disenchanted with traditional American values. To them, it is wrong to be competitive, evil to be ambitious, foolish to be patriotic, wasteful to be industrious, stupid to be frugal. All material values, to such people, are worthless. America has gone off after false gods. Our civilization is grossly materialistic; success is a delusion; our system of production and exchange is without heart or vision; and the whole fabric of American life – its legends, its traditions, its achievements – all this, in terms of real human welfare, is a gigantic swindle. The history we have been taught, the patriotism we have imbibed, the pride of citizenship we have inherited – it is all a fantastic and deceptive fable so they allege.

A Matter of Contrast

No one who has observed the American scene fails to recognize the deficiencies of the American economic system, or indeed of representative government itself. But judgments upon the faults of our country are valid only when measured against its corresponding merits, and when all this is weighed in turn against the performance of other systems, such as communism in Russia and its satellites, or in China, and socialism in Sweden and Chile. But this is seldom done. Instead, we are fed a torrential catalogue of leftist peeves against the American society – criticism of a sort that would bring immediate literary excommunication, if not sudden death, in many other lands.

But here, in the country they defame, they can get away with it. And the reason is simple: We are free! The crass, soulless, heartless, materialistic American society rises above its detractors, and guarantees their right . . . to destroy it! Such is at once the Quixotic and sublime nature of freedom. And perhaps it needs no better definition.

So . . . what is freedom? It is a thing of law and constitutional

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right, to be sure. It must be guaranteed and preserved in the basic structure of government if it is to have meaning. But it is more than a legalism, more than a Bill of Rights. It is a condition of the human spirit.

"You Can't Eat Freedom"

But "you can't eat freedom." So runs a leftist cliche of a few years ago. It was meant to imply that there is a conflict between freedom and physical welfare. This, of course, is nonsense. You can't eat sunlight, either; but you soon die without it. You can't eat beauty or truth or honor, but they are the leaven of life, nonetheless. Actually, we can and do "eat" freedom, in the sense that it is the essential condition for human welfare, achievement and progress. Even on the level of food, clothing, shelter and the conveniences of life, experience has shown that these material comforts are found in greatest abundance where men are most free from the inhibiting compulsions of statism.

Deeply and inherently men know this. They understand, of course, that no man can be completely free. His freedom, in an organized society, is necessarily limited by the like freedom of others; and so he relinquishes a small part of his freedom of action in exchange for protection and the greater good. But he has always hedged this about with basic limitations upon the power he will concede to his government. And always, alas, sooner or later he will diminish his freedom by multiplying the bureaucracies of his government. And finally – he destroys it! That is because as his demands increase his vigilance weakens, and his sense of responsibility, or accountability, dies.

Human society is built, and can only be built, upon a foundation of citizenship accountability. The strength of a nation is not its legal machinery, but the moral stamina and courage of its people. The law is but the codification of their conscience. There are not enough laws, and never will be, to keep a society stable if its members no longer will it. There are not enough policemen, courts, judges or prisons, nor ever can be, to prevent the death of a civilization whose people no longer care. Law enforcement is for the criminal few; it collapses if it must be enforced against the many. When the sense of personal accountability is no longer present in robust majority strength, then no legal device known to man can hold the society together.

Freedom is a timeless torch,
Blazing in the dark.

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The Natural Controls

C. R. BATTEN

"WE REJECT all forms of racial oppression or political enslavement. Above all, we see in war the ultimate misuse of science, the baleful destroyer of all economic and social benefit and the final betrayal of our common humanity."

This statement was buried at the end of a list of General Principles adopted by the Non-Governmental Organizations meeting in an Environment Forum in conjunction with the United Nations Conference on the Human Environment in Stockholm last June.

Another principle from the Forum: "We must accept new economic perspectives. . . . Both in production and physical consumption, the world economy must come to be in balance with environmental carrying capacity." Another noble goal – but do the delegates to the Forum mean the same thing as I when we agree that "We must accept new economic perspectives?"

A person's conception of that statement depends on how he views today's economy. In order to understand each other, we must first define what we see.

In the world economy of today, I see a world of division; a world struggle for power; a world torn apart by trade barriers; increasing reliance on the force of government to fulfill human goals; increasing demands that those who are better off "share" their good fortune with the less fortunate; a world of bickering, violence, and conflict as many nations and individuals seek to gain advantage and power over others through force – the force of majority rule, the force of alliances, or the force of brute strength.

On the other hand, the majority of the delegates to the Environment Forum probably see in our present system that the undeveloped peoples, races and nations have been held back by force by wealthier nations, or by colonialism. They feel a sense of despair

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at being unable to rise above poverty because of trade barriers or legal restrictions imposed on them by the more powerful; they envy the more wealthy, and see wealth to be gained with power. They attribute all the good things of the developed nations to the power those nations have wielded in international politics, and their own lack of wealth to their own lack of power.

International Planning

Their solutions, then, are more government planning on an international scale; a world system of taxation, the spoils to be used to help the developing nations control environmental problems; and a redistribution of the world's resources.

These are not measures that will lead toward more freedom, less slavery, the elimination of poverty, or an end to war. Those who support them simply seek to wrest power from those who have it, and give power to those who do not — the same old method that has been used throughout the history of man. As long as this attitude prevails in this nation and on this earth, mankind will be doomed to conflict and violence, and some part of it will be doomed to poverty and slavery.

It is the very exercise of power that creates slavery, keeps one nation or race bonded to others more powerful, leads to violence such as that tragic incident in Munich last August, and causes wars.

A truly new perspective would be one that would drop trade barriers, drop laws and agreements that give to some advantage over others through the force of some legal structure, and give the individual the freedom to do with his resources what will best meet his own goals.

It is logical to ask: Without some kind of controls, how can we be expected to conserve resources, and live within earth's human carrying capacity? Won't we just keep on using up materials at our present alarming rate?

The answer is that we have controls through natural law that are much more efficient than any controls man can devise. Without man-made interventions, the natural controls would operate freely, and would serve to bring the economy into balance with environmental carrying capacity.

Man does not make the laws that compose the system of nature. He only discovers them. He cannot repeal them, no matter how hard he may try.

Though man has learned to fly, he has not repealed the law of gravity. He has only learned to apply other laws of nature in such a way that he can create lifting

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forces stronger than the pull of gravity. When the systems that man has devised fail, he crashes back to earth.

Supply and Demand

There are economic laws such as the law of supply and demand: If the supply of an economic good remains constant and demand rises, then prices will also rise. If the supply increases and the demand remains constant, then prices will fall.

It is this law, working in combination with others, that provides the means for the world economy to come into balance with its supply of natural resources.

Since natural laws govern the forces of life that created this universe in which we live, all of those laws are in harmony with each other. If man can learn more about them, and use them in his human and economic relations, he will learn to live in peace with his fellow men, and in harmony with his environment.

Under natural law, it is the function of prices to bring supply and demand toward balance. Thus, when the reserves of natural gas appear to be running short, and demands are increasing, we find the prices going up – in spite of the attempts of regulatory agencies to hold them down.

If the prices are successfully held down, we can be sure that there will be shortages of natural gas in the near future. If prices are allowed to find their own level, they will rise to the point where gas producers will be willing to invest risk capital in a search for more reserves.

Yet, it is to the best interest of those same producers that the prices not go too high – because at some point, it will become more profitable to produce gas from coal, or to develop some other source of energy. If the producers are not successful in locating more reserves, then the price of gas will continue to rise until alternative sources of energy are developed and substituted.

In short, as defined by one economist, economics is the science of making scarce materials go around. If we let it work, the natural system of economic law will provide that the scarce resources of earth continue to meet human needs.

It is when man intervenes to upset the workings of economic nature that he begins to have troubles. It is when he tries (always without success) to repeal natural laws – by artificial trade barriers, price controls, production quotas, inflationary policies, and other means – that we find ourselves destroying our natural resources and our environment.

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Is Red China an Economic Paper Tiger?

ERIC BRODIN

IN THE WAKE of President Nixon's well-publicized trip to China in the spring of 1972, many of the world's businessmen began to get visions of a brand new market with 800 million customers. Representatives of a great many of the world's industries and export firms made their way to various trade fairs in China. At the Canton fair in the spring of 1972, for example, 16,000 foreign businessmen were present, 1,500 from Japan alone representing almost 1,000 firms. No doubt these business interests were partly responsible for the ouster of Japan's Premier Sato, and for the recent diplomatic recognition of Communist China by Japan. An early advocate of Red China's international recognition is Sweden, who at the same fair had representatives from 147 firms. The Swedish Trade Minister also was there and expressed the hope for a 100 to 200 per cent rise in Swedish-Chinese trade.

Did Nixon's visit with Chairman Mao thus open vast new trade possibilities between Communist China and the world of business beyond the "Bamboo Curtain"? We can only make guesses from some of the statistics published in China, from reports from recent visitors, and of course from the "gnomes of Hong Kong" who often have amazingly accurate reports from "contacts" who can freely pass from the British Crown Colony to Mainland China.

First of all, we are not even sure of the population of Mainland China, which has been variously estimated as 750 or 800 million. But numbers alone do not make China a consumer of international goods. Mainland China's foreign trade has risen from $1 billion in 1950 to $4.2 billion in 1971. This is comparable to the foreign trade of Italy, or of Yugoslavia, and some 20 per cent less than that of tiny Hong Kong with

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its four million population. Even with one-fourth of the world's population, Red China's share of world trade is but two-thirds of one per cent.

Peking's income from external trade amounted in 1970 to $2.8 billion, with imports of $2.1 billion. Such imports amount to about $2.50 per person per year. Only four per cent of China's Gross National Product is ascribed to foreign trade. It is evident, therefore, that China may either (for economic reasons) be incapable of being a viable international trading partner, or it chooses (for ideological reasons) to be a self-sufficing economy. That the latter might be the objective is evident from many official statements which insist on self-reliance and reflect the traditional Chinese hatred of foreigners. Expressed in Maoist terminology, reliance on foreign trade is "bourgeois" thinking full of "veneration of foreign technology."

Trade patterns of Mainland China since the revolution show several changes. Foreign trade in 1966 was higher than that of 1971. It declined to $3.7 billion in 1967, then started slowly to rise again. Communist China's main trading partner in the past had been the Soviet Union – $2 billion in 1959 – but by 1970 it had declined to a mere $55 million, indicating a complete reversal of Chinese foreign trade patterns. Formerly, 60 per cent of Mainland China's trade was with Communist countries; now the main trading partners are Japan ($822 million in 1970), Hong Kong ($477 million), the Federal Republic of Germany ($253 million), and Great Britain ($187 million).

And where does the United States fit into this trade picture? It is too early to know what future trade relationships may be, except that they are not likely to be very significant. United States' trade with Communist China, since restrictions began to be gradually removed in 1970, had risen by February 1972 to a mere $5 million of imports by the United States. (United States imports from Nationalist China (Taiwan) during the first nine and a half months of 1972 amounted to $2.3 billion. U.S. imports from Japan amounted to $4.9 billion in 1969, $5.9 billion in 1970.)

The problem in international trade for Mainland China is that they have so few products which are attractive to or needed by industrialized nations; or, if they have these products, a poor or inadequately developed infrastructure makes transport and shipping difficult. If tempted to think of 800 million potential consumers, one ought to take a closer look at

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the internal economy of China.

China is an underdeveloped country with a per capita income among the lowest in the world. In an authoritative series of articles in November 1971, the Italian journal *Successo* estimated the annual per capita income in Red China to be between $93 and $97. Richman in *Industrial Society in Communist China* puts the figure (in 1966) at between $70 and $100, whereas the more optimistic report on China by *Business International* estimates it to be $111 in 1969, with a possible rise to $122 by 1980. (By that time, for comparison, estimated annual per capita income would be $3,600 for Australia, $4,517 for Japan, and $6,655 for the United States.)

It is evident that such income severely limits what the Chinese peasant can afford to buy from abroad. By the best estimates possible, a Chinese peasant today may have a monthly income of about $20, an industrial worker about $25. One of Red China's leading authors, Hao Jan, reports a monthly income from the Peking government amounting to $44. But, it can be argued, if foodstuff and other necessities are cheap, these statistics might not be meaningful. This does not seem to be the case, however. From visitors, and chiefly from some of the refugees who are still fleeing Communist China at about 30,000 a year, we learn that the Chinese worker (with an average wage of $24 a month) will have to work from 7 to 15 days for a sweater, 70 to 80 days for a raincoat, and three months for a bicycle or a sewing machine.

Mainland China is in desperate need of industrialization in order to become self-sufficient in the goods necessary for its citizens, let alone any surplus for export. Its "Great Leap Forward" and other economic innovations turned out to be costly mistakes for the Chinese economy. It is evident that Red China needs first of all to make technical advances in its agricultural sector, and then to expand and modernize its industrial sector. Visitors to China are invariably shown a mechanized commune and a chemical fertilizer factory – showing the priority of their interests. As in any developing society, the agricultural sector is very important; China must first feed its large and expanding population. (The rate of growth has been variously estimated at 1.4 per cent to 2.5 per cent per annum, and the higher figure is more probable.) But it is the individualistic Chinese peasant who has been one of the chief headaches to the Communist regime, what with his opposition to communes and collectivist thinking. It

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is also in the agricultural sector where most charges of "sabotage" have been leveled.

"Class enemies and capitalists are always finding opportunities to try to wreck the collective economy" reports the Red Chinese theoretical journal, *Red Flag*, and this was due to the "failure of low-echelon party-cadres of following Mao Tse-tung's line." Peking's *Kwangning Daily* of November 9, 1972, reported that "capitalism has reared its ugly head in productive teams in Sinkiang Province." And according to *People's Daily* (Peking) an "evil anarchism wind" has also swept across Mongolia which has "encouraged many to lean toward capitalism." It appears that some of the "sabotage" is due to dissatisfaction among the thousands of students who are being shipped into the interior for compulsive (corrective) farm labor. *China Mail* for September 2, 1972, reports that a veritable black market in rationing cards has begun by such students "after they had been banished to the countryside."

As long as agricultural and technical improvement and changes can be determined only by the *Thoughts of Chairman Mao* (poetical though they may be) there are slim chances for any real expansion in the economy of Mainland China. The *Hopei Daily* of November 13, 1972, in a typical reaction to a farm problem: "Under the criticism and rectification campaign, sustained anti-drought efforts have led to comparatively satisfactory harvests . . . Chairman Mao's policy must be strictly observed . . . . [and] vehement attacks must be launched against Liu Shao-chi. . . . . ."

Such ideological, rather than technical, ideas are also at work in the embryonic Chinese industry. Jonathan Unger, writing a perceptive article in *Far East Economic Review*, attributes the slow growth of Red Chinese industry to chauvinism and ideological preoccupation which prevents the Chinese from learning new methods and importing technical innovations from abroad. The chairman of Alfa-Romeo of Italy commented, during a visit to China in 1971, that the technical efficiency of a Chinese automobile plant in Shanghai was comparable to that of his own plant *in 1910*.

It will be a long time until the visions of massive trade with Mainland China by the world's businessmen and industrialists can be realized. First, the Chinese will have to abandon the unworkable ideas of Communism and the equally unworkable ideas of Chairman Mao. Until then, it is likely that Communist China will remain an "economic paper tiger."

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"I'm for the Achiever"

I HAVE just about reached the end of my tolerance for the way our society now seems to have sympathetic concern only for the misfit, the pervert, the drug addict, the drifter, the chronic criminal, the under-achiever. It seems to me we have lost touch with reality and become warped in our attachments.

I feel it is time for someone like me to stand up and say, in short, "I'm for the upperdog!"

I'm for the achiever — the one who sets out to do something and does it; the one who recognizes the problems and opportunities at hand, and endeavors to deal with them; the one who is successful at his immediate task because he is not worrying about someone else's failings; the one who doesn't consider it "square" to be constantly looking for more to do, who isn't always rationalizing why he shouldn't be doing what he is doing; the one, in short, who carries the work of his part of the world squarely on his shoulders.

It is important to recognize that the quality of any society is directly related to the quality of the individuals who make it up. Therefore, let us stop referring naively to creating a "great" society. It is enough at this stage of our development to aspire to create a *decent* society. And to do so, our first task is to help each individual be decent unto himself and in his relationship with other individuals.

We will never create a good society, much less a great one, until individual excellence and achievement are not only respected but encouraged. That is why I am for the upperdog — the achiever, the succeeder.

—Miller Upton, President of Beloit College.

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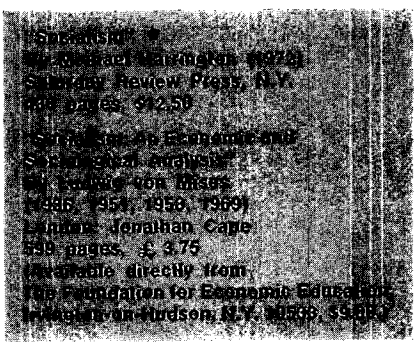
The Pros and Cons of SOCIALISM

HENRY HAZLITT

MICHAEL HARRINGTON'S massive book on socialism is a strange and baffling performance. What is baffling first of all is how such a book – so piously reflecting the century-old and long-discredited Marxian ideology, vocabulary and prophecies – can come to be written in this day and country. Even more baffling is how its author manages to combine such a formidable range of book-learning and current factual knowledge with such profound ignorance of basic economics and of the devastating refutations of Marx that have appeared over the last century.



The book is well-written, at moments even eloquent. Mr. Harrington has a gift for phrase-making. Perhaps this accounts for his success in becoming head of the American Socialist party. His erudition is impressive. He seems to have read, in the original German, practically everything that Marx and Engels ever wrote. He

Henry Hazlitt is well known to *Freeman* readers as author, columnist, editor, lecturer, and practitioner of freedom. This review article is reprinted by permission from the January 6, 1973 issue of *Human Events*.

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has flashes of an ingratiating candor. Yet his book as a whole is a long, repetitious and tedious condemnation of capitalism and an extravagant eulogy of socialism.

Capitalism is represented as the sum of all evil. Socialism, on the other hand, may not bring an earthly paradise – it is only "finite," as Harrington stops himself to concede at one point – but whatever evil remains after it has been achieved will hardly be worth talking about.

Socialism may be finite, but Harrington's errors are not. I hardly know where to begin in pointing them out, and must confine myself to a few random samples, of first some theoretical and then some factual errors.

Labor Theory of Value

Harrington is a devout Marxist, and swallows practically everything, including the labor theory of value. He sets out to prove that labor is productive, but that capital is not. He does this mainly by rhetoric: "It is not capital or the market or abstention from consumption that produces wealth; it is man (p. 77)." This is an absurdly false antithesis. He may as well have written: "It is not work that creates wealth, but man." He even calls it a brilliant "animating insight," first seen by Marx, "that men create wealth."

Well, let's take an elementary case. A man, using an ax, chops down a tree. Did the man chop down the tree, or did the ax do it? Obviously it was the combination, the man-using-an-ax, that was needed to chop down the tree. It could not have been done without both. To argue, as Marx-*cum*-Harrington do, that the services of the man should be paid for but the services of the ax should not be paid for, is to argue that the man who made the ax should not be paid.

Suppose, now, that the woodsman is supplied with a power-saw instead of an ax, so that he can now cut down six times as many trees a day as before. Is he to be paid six times as much per day on the argument that *his* productivity has increased sixfold, with no compensation for the use of the power-saw? Yet the *increase* in productivity has been made possible solely by the substitution of the power-saw.

If power-saws are not paid for they will not be produced. If the principle of noncompensation for capital is universalized there will be no economic progress, but decay and impoverishment.

Harrington does not seem to have even a glimmering of this elementary truth. He appears to assume that capitalist production goes on automatically, and even

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goes on increasing automatically, regardless of compensation or noncompensation, incentives or deterrents. I do not remember that the word "incentive" ever appears in his book; certainly it does not get into the index.

Production, Harrington assumes, goes on increasing – even frighteningly fast – because of improvements in "technology." But that improvements in technology would never have been possible without capital accumulation, and that capital accumulation – produced only by saving and investment – would never have taken place without compensation and rewards, seems never to have occurred to him.

All the immense and accelerative progress in productivity in the modern world has been the result of increasing capital accumulation, of more and better tools and machines. Yet Harrington is blind to this. Not only does he not believe in profit, but he is constantly advocating confiscatory taxation and outright seizures that would eventually destroy the whole basis of production.

The Exploitation Theory

It is probably needless to add that Harrington plumps without reservation for the Marxian theory that "labor" is everywhere "exploited" by the "capitalist." He does this by the naive argument (pp. 94-96) that there *is* such a thing as profit – i.e., that the gross sales value of the product that the entrepreneur creates is greater than its cost of production. Ergo, somebody must be being robbed of this "surplus," and it must be the workers!

There is a bundle of fallacies here. First, Harrington assumes that profit is something automatic and certain. Millions of businessmen, including the managers and stockholders of recent outstanding loss-makers, like Penn-Central, Litton Industries, Ampex, Boise Cascade, Pan-Am, and so on, wish that were true. Over the years, some 40 per cent of corporations, by number, report losses.

Harrington, again following Marx and others, confidently speaks of "the rate of profit." No such "rate" exists. Profit is different in every industry, in every firm, and in every year. Statisticians can figure a mathematical average, of course (though that doesn't help the losers).

In 1970 all manufacturing corporations in the U.S. reported an average profit after federal income tax of four cents per dollar of sales. Even if this were what economists call pure profits, it doesn't prove that any workers were robbed.

Moreover, in an inflationary period like the present, orthodox

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bookkeeping practices greatly overstate real profits. Even in normal times such bookkeeping "profits" include, especially in small firms, what should more properly be imputed to interest, rent, or the wages of management.

In fact, pure profits go only to those entrepreneurs who succeed in creating economic values in excess of their costs. This they can normally do only if they are above average efficiency. Many economists now hold that in a non-expanding economy the profits of one entrepreneur tend to be offset by the losses of another, and that in such an economy no *net* "pure" profits exist. However that may be, neither profits nor production are ever automatic.

A Bundle of Errors

But we must move on from elementary economics to Harrington's numerous factual errors.

He is concerned to show that "labor" is constantly producing more but not getting paid for it. Our productive system, he holds, expands "geometrically" but pays wages only in "arithmetic increments." If this were so, there would obviously be a progressive decline in the proportion of the "social dividend" going to labor.

Then how explain that in 1971, according to official statistics, 70 per cent of total personal income came from wages, salaries, and other labor disbursements, but less than 3 per cent from dividends? Or how it has happened that, in the five years, say, from 1965 to 1970, of the money available for distribution between the employes and the shareowners of the country's corporations, the employes received more than seven-eighths, and the share owners less than one-eighth? Or that, if we count only the money that was actually paid out in dividends, the corporation employes in that period got 14 times as much as the stockholders?

Harrington keeps contending that wages haven't held their own against the rising cost of living. The evidence against him is overwhelming. A sample figure: In the 30-year period from 1939 to 1969 average actual weekly wages paid in manufacturing rose from $23.64 to $129.51 – an increase of 448 per cent. Even when we adjust for the rise in living costs, real wages rose 108 per cent in that period.

Misinterpretation of Marx

Harrington seems no more reliable concerning the writer Marx himself than concerning economic theory or fact. He has a tough time following Marx's obfuscations, flounderings, tergiversations, and tactical zigs and zags.

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Though Marx repeatedly demanded the "dictatorship" of the proletariat, Harrington explains he really didn't mean it, but "used the word 'dictatorship' to describe democracy" (p. 54)! In an equal gem, on the next page, he assures us that Marx was "certainly revolutionary, but also a moderate"! As a revolutionary, when the word is used seriously, means one who demands forcible overthrow of the government by armed rebellion or civil war, with whatever shooting, bombing, or slaughter may be necessary, I personally find visualizing a "moderate" revolutionist somewhat difficult.

But for Harrington words seem to have lost their dictionary meanings. We find this when he comes to the key concept of "socialism" itself. He abhors any existing Socialist or Communist regime. From the horrifying facts that he cites about the history of socialism or communism in Russia, China, or Cuba, the "militarization of work," (229), the resemblance to a "barracks," (242), the slave camps, the crop failures, plummeting industrial production, the deaths of millions of peasants by starvation, the espionage, suppression and assassinations, this book could stand as a damning indictment of socialism or communism everywhere.

But Harrington does not come to that conclusion. None of these are the failures of socialism but of an "anti-Socialist 'socialism'." For *real* socialism, don't you see, must be "democratic," peaceful, harmonious, voluntary; and everybody so far has taken the wrong route.

Coercion Inevitable

Harrington simply rufuses to recognize that socialism by its very nature must depend on coercion and dictatorship to make it work. For where there is no private property, no comparative profits or losses, no competitive prices or competitive wages, there is no guide as to who should turn out what, or how much of it. Everybody must be arbitrarily assigned to his job, as in an army, by orders originating from the High Command at the top.

One looks in vain for a clear definition of socialism in these pages. It does not mean, apparently, government ownership of the means of production, as we had all previously supposed, because that can lead to "anti-Socialist 'socialism'" and dictatorship. We are told that the "essence" of socialism is "democracy," but even if one believes the two to be compatible, this is embarrassingly vague.

Harrington reveals his real pipe-dream on page 344. Here we come to "the vision of socialism

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itself"—a world in which "man's social productivity will reach such heights that compulsory work will no longer be necessary. And as more and more things are provided free, money, that universal equivalent by means of which necessities are rationed, will disappear." It would be brutal to analyze this utopian dream realistically, and I refrain.

What is amazing is how, with all his knowing allusions to scores of authors, Harrington has managed to insulate himself so completely from any knowledge of real economics or of even the most famous refutations of Marxist socialism.

Harrington's Most Glaring Omission: Mises and Others

In all these pages you will not find a single reference to Boehm-Bawerk, to Pareto, to John Bates Clark, to Frank Knight to Wilhelm Roepke, to Murray Rothbard. You will, indeed (p. 296), find seven lines quoted out of context from F. A. Hayek, which represents the author of *The Road to Serfdom* as drawing "Socialist conclusions" when he was in fact doing precisely the opposite. The treatment of the quotation alone shakes one's confidence in the dependability of every other citation or its interpretation in the entire Harrington book.

But the most glaring omission is the name of Ludwig von Mises, whose *Socialism: An Economic and Sociological Analysis,* first published in Germany in 1922, and available in an English translation in four editions from 1936 to 1969, is the most thorough and devastating analysis of socialism ever penned.

The Mises book, as its title implies, examines socialism from almost every possible aspect—its doctrine of violence as well as that of the collective ownership of the means of production; its ideal of equality; its relation to problems of sex and the family; its proposed solution of the problem of production as well as of distribution; its probable operation under both static and dynamic conditions; its national and international consequences.

It considers particular forms of socialism and pseudo-socialism; the doctrine of the class war and the materialist conception of history; various Socialist criticisms of capitalistic tendencies or alleged tendencies; Socialistic ethics; and finally various forms of "gradual socialism" and "destructionism."

It is amazing how many of his criticisms of 40 or 50 years ago anticipated the essentially destructionist proposals now made by Harrington. But this is because these "new proposals are merely

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repetitions or rehashes of what Socialists and other anti-capitalists have been advocating over the decades.

No open-minded reader can fail to be impressed by the closeness of Dr. Mises' reasoning, the rigor of his logic, the power and penetration of his thought. The contention most closely associated with his name is that full socialism is certain to fail because it is incapable by its very nature of solving the problem of economic calculation.

A completely Socialist society would not know how to distribute its labor, capital, land and other factors of production to the best advantage. It would not know which commodities or services it was producing at a social profit and which at a social loss. It would not know what any worker, or what any factor, was actually contributing to the production of economic values.

Unable to determine any worker's productive contribution, the Socialist society would be unable to fix his reward proportionately or know how to maximize his incentives.

The greatest difficulty to the realization of socialism in Mises' view, in short, is intellectual. It is not a mere matter of goodwill, or of willingness to cooperate energetically without personal reward. "Even angels, if they were endowed only with human reason, could not form a Socialist community." Capitalism solves this problem of economic calculation through private ownership, and by money prices of both consumers' and producers' goods which are fixed in the competition of the open market.

Ludwing von Mises

Mises' *Socialism* is an economic classic written in our time. It is one of the author's three masterpieces, of which the other two are *The Theory of Money and Credit* and *Human Action.*

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LOVING ONE'S COUNTRY

HAVEN BRADFORD GOW

FOR US to love our country, said Edmund Burke, our country must be lovely. If Burke meant that only a country which is lovely is loved by its people, then he was mistaken, for it is true that many Germans loved Nazi Germany. But if we understand Burke's remark to mean that for a country to be worthy of admiration, it must be lovely, then Burke certainly made a valid observation.

But what causes a country to be lovely? The British statesman had a ready reply. The country that is lovely, wrote Burke, is permeated with the spirit of religion and the spirit of the gentleman – both being essential to the survival of any tolerable civil social order.

The "spirit of religion" is a complicated term. But what I think Burke meant is a reverence for God and a corresponding acknowledgement of an authority higher than the state. For Burke, it also meant a commitment to a cluster of values and the religious foundation for those values such as tradition, liberty under law, courage, love, integrity, honor, civility, the dignity of the individual because he is made in the image of God, individual freedom and responsibility, the recognition of rights and corresponding duties.

By the "spirit of the gentleman," Burke was referring to something more than mere social poise and the ability to win friends and influence people. Cardinal John Henry Newman once described the gentleman as one who is "tender towards the bashful, gentle towards the distant, and merciful towards the absurd. . . He never speaks of himself unless compelled, never defends himself by mere retort, he has no ears for slander or gossip. . . ." The gentleman, continued Newman, is "patient and forbearing"; he resigns himself to suffer because "it is inevitable, to bereavement because it is

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irreparable, and to death because it is his destiny." And if the gentleman engages in controversy of any kind, "his disciplined intellect preserves him from the blundering discourtesy of better, perhaps, but less educated minds, who, like blunt weapons, tear and hack instead of cutting clean, who mistake the point in argument, waste their strength on trifles, misconceive their adversary, and leave the question more involved than they find it."

Burke would have agreed with Newman's sentiments; but he, like Newman, meant something more than the observance of the traditions of civility. Burke also was talking about the refinement of mind and character which elevates one above the social and intellectual fads and foibles of his group and of his times. As Russell Kirk observes, Burke believed that the spirit of the gentleman meant "that elevation of mind and temper, that generosity and courage of mind, [and that] habit of acting upon principles which rise superior to immediate advantage and private interest."

Were Burke alive today, he would find little of the spirit of religion and the spirit of the gentleman in our country. He would discover little respect for the canons of civilized discourse; and he would find little observance of the norms and traditions of civility.

Instead, Burke would find the spirit of the gentleman considered "effeminate" by those most doubtful of their own masculinity; he would encounter widespread indifference, if not hostility, toward religion in both private and public life. He would find increasing numbers who think in slogans, who shout down speakers, who refuse to listen to views contrary to their own; he would see a denigration of the concepts of individual freedom and responsibility; he would witness in our society an attack by those without roots upon the delicate balance between freedom and order, tradition and change. And Burke, to his dismay, would discover a violent and tragic disruption of what Garry Wills terms "the bond of social affections," the ties that promote unity rather than division; the ties, that is to say, which bind a person to his neighbor, to his family, to his community, to his country.

To fight today for the resuscitation of the spirit of religion and the spirit of the gentleman would seem to be in a lost cause. Yet, for so worthy a cause we must continue to struggle until these qualities prevail – qualities which cause a country, as well as an individual, to be lovely.

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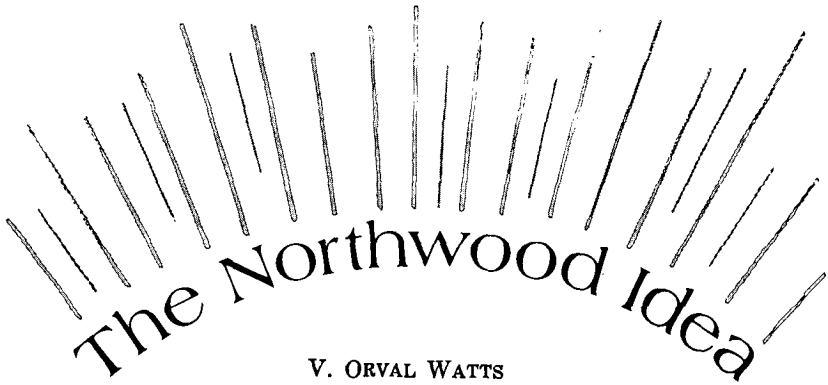

V. ORVAL WATTS

WHAT I have to say about the "Northwood Idea" is not original with me. I have tried to do little but put together what I have gleaned from discussions with many persons at Northwood – trustees, administrators, faculty and students; but perhaps this summary may be useful and it may be that my concluding point deserves a little more emphasis than we usually give it.

At the outset, we should note that the Northwood philosophy is based on what, for want of a better phrase, we may call the Judeo-Christian Ethic.

Next, I shall refer to our emphasis on work and thrift, not merely as economic virtues to produce so-called "material welfare," but as spiritual therapy; that is, as necessary means for "spiritual development" – welfare in its non-material aspects.

Finally, I shall remind you of the necessity for *business*, that is, for commerce and finance, including advertising and selling, bookkeeping, accumulation of cash reserves, banking, and the dickering of free markets. Business in this sense of the term is an essential aspect of every great civilization, and I believe it is necessary for the development of truly human and humane character and personality. That concluding idea, I expect, is the most distinguishing feature of what I have to say.

Dr. Watts is Director of Economic Education, Northwood Institute, Midland, Michigan, a private college dedicated to the philosophy and practice of free enterprise. This article is from remarks at a recent faculty meeting there.

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I. THE JUDEO-CHRISTIAN ETHIC

As to the Judeo-Christian Ethic, I've been tempted to use instead the "Bourgeois Ethic," the ethic of the tradesman; but Karl Marx and others have given that phrase so nasty a connotation that I know I would have two strikes against me at the outset if I called our moral code the "Bourgeois Ethic." Yet, whatever we call it, the moral basis for our Northwood philosophy is the ethic which is necessary for a good life as a trader or financier.

The Idea of Individual Responsibility

It begins with the idea of *individual responsibility*. This is the psychological basis for the Judeo-Christian Ethic.

The Ten Commandments and the moral injunctions of both the Old and the New Testaments were always directed to the individual: "*Thou* shalt have no other gods before me"; "*Thou* shalt not make unto *thee* any graven image"; "Honor *thy* father and *thy* mother: that *thy* days may be long upon the land which the Lord *thy* God giveth *thee*."

These commandments were directed to one preson, the individual, who is thereby charged with responsibility for his choices.

In other words, humans must choose – that's what I mean by individual responsibility and self-determination. Ideas and acquired values determine our specific actions, and they may prompt us to ignore various influences in the outside environment. We can direct our own actions to prolong and enrich our lives, or we can choose suicidal paths as people choose to smoke when they have abundant evidence that it shortens life. We can choose to jump off cliffs, we can choose to play Russian roulette; or we can choose ways of life, ways of health and welfare.

The Idea of Moral Law

Of equal importance in the Judeo-Christian Ethic is recognition of the enduring nature of Moral Law. The essence of this moral law is summed up in the "Golden Rule," and it derives from the fact that *humans need one another*.

Without other human beings, we cannot be born, cannot be reared, cannot prosper; and to have the cooperation of other humans – to avoid the conflicts which would be suicidal for humans – we must follow the "Golden Rule." When we apply it in practice, we find it is the unifying principle of those commandments that refer to the relations between the individual and his fellows: "Thou shalt not steal," "Thou shalt not kill,"

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and "Thou shalt not bear false witness."

Now, it should be clear that obedience to Moral Law means voluntary cooperation and freedom. If we don't steal, we leave other persons free to use their talents in peaceful cooperative ways to produce goods for their own use, for exchange, or for gifts to others, such as gifts to one's family or heirs.

Therefore, we have a state of individual freedom if we live by the "Ten Commandments." We have private property and numberless associations for voluntary cooperation. And humans develop as humans and make progress only in this condition of individual freedom and voluntary association established by adherence to these moral principles. Therefore, these moral principles are antecedent to and take precedence over all man-made laws and customs.

Respect for Property

In other words, these enduring moral principles require of us respect for the property rights of other people – that is, respect for their rights to control their own persons and for their rights to control those things which they obtain in voluntary cooperation, whether by gift, by voluntary exchange, or by the productive use of these things. Living by these principles requires that we fulfill our contracts, that we speak the truth, and that we revere the laws of Life and Nature. The human need for this reverence appears in the first four of the "Ten Commandments."

We should note, incidentally, that this voluntary cooperation and exchange is doubly productive of benefits in contrast to the one-sided gain that anyone may get by coercion, as for example, by burglary, by slavery, or by taxation. In voluntary cooperation, all participants must benefit if the cooperation is to continue, for if it is voluntary, anyone may withdraw when he feels he is not benefiting, when he feels that the gains are distributed unjustly or going entirely to one person or group at the expense of the time and energy of others.

We should note also that living by the Golden Rule involves respect for privacy – the right to be let alone and the right to choose one's associates. Coercion – the attempt to compel people to associate with others – leads to conflict rather than to the attitudes and actions which are mutually beneficial. Freedom established by the Moral Law of the Golden Rule and the Ten Commandments includes the moral right to withdraw from an unwelcome contact with other persons, as well as the right freely

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to cooperate in mutually beneficial ways.

As Paul wrote in his "Second Letter to the Corinthians" 2000 years ago, "Be ye not unequally yoked with unbelievers; for what fellowship hath righteousness with unrighteousness and what communion hath light with darkness? . . . Wherefore come out from among them and be separate saith the Lord . . . and I will receive you." (II Cor. 6: 14-17)

Conditions of Sale

I mention this because it is sometimes said that, by our rules at Northwood prohibiting the use of liquor and marijuana and requiring the women students to return to the dormitories at a certain time, we are coercing the students. This is not true. We are thereby merely exercising our moral rights and duties in selecting those student associates who are to use the facilities provided by the college founders and supporters. We use no coercion to enforce these rules. To say that choosing our associates is coercion is a misuse of the term coercion. We choose only to disassociate ourselves from those who are not willing to abide by our rules.

Our rules are conditions for continued use of Northwood's facilities. We must have such rules, or standards, and we must separate ourselves from anyone not willing to accept them, if the Northwood Idea is to have meaning and effect.

II. EMPHASIS ON WORK AND THRIFT

Next, I wish to call attention to Northwood's emphasis on work and thrift as marks and means of human progress. It is fashionable in some circles nowadays to disparage both of these. But, work is merely persistent, purposeful effort, and investment of human time and energy for long-range, indirect benefits.

Long-range benefits are those that occur in the future. Indirect benefits are those that may first benefit another person, but bring a return benefit of some sort later.

Such planned, purposeful effort for a long-range or indirect benefit is surely necessary for human survival and progress; and the traits of character and personality developed by such effort we regard as virtues.

Thrift is the postponement of present consumption in order to obtain greater satisfactions in the future. Like work, it requires the highest human qualities of understanding and imagination to foresee the future and to hold it in mind in order to gain the necessary self-restraint. In short, work and thrift require understanding,

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self-control. They are means, not only of self-development but of service to others.

Without Savings and Tools, We'd Still Live in Caves

Where would we be today had it not been for the thrift and work involved in the creation of our buildings, and the production of the myriad of tools, or capital goods, that we use? The answer is we would still be living in caves, eking out a short-lived, hand-to-mouth existence derived from the roots and grubs we could dig up, the small animals we could catch in our hands, and the berries we could get in season.

Everything that we call the material aspects of civilization, and the moral and spiritual ones as well, our understanding that enables us to live longer, to live better and to cooperate – all of this comes from the thrift and work, the accumulations of thousands of years of human effort, inventiveness, planning, thrift and self-discipline.

This Puritan Ethic – this system of values, this way of life – is essential to human living, not only economically but for developing the qualities that are most distinctively human, the qualities that make us humane. It is mental, moral, and spiritual "therapy," to use a modern cliché.

III. THE IMPORTANCE OF BUSINESS

Finally, if we are to have cooperation, we must exchange services; and as the cooperation gets more and more complicated we need specialists to work out the terms and procedures of the multitudinous exchanges. Therefore, we must use money and credit; and we must have traders and financiers, advertisers, brokers and salesmen, accountants and collection agencies to complete the exchanges, including those exchanges which are made over a period of time and which therefore require credit and finance.

Finance is the monetary aspect of credit. Credit is merely a delayed exchange, an incomplete exchange. In every civilized society, most exchanges take time to complete because they are indirect, three-cornered or four-cornered exchanges, taking place over a distance and involving roundabout (capitalistic) methods of production. In all such time-consuming transactions, we must have credit (trust and waiting). Therefore, money, credit and financial experts are as necessary for civilized life and progress as tools and machines, mechanics and engineers.

Business, then, means those aspects of voluntary cooperation which we call commerce and finance, and the function of the

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businessman is to promote, inspire, and guide cooperation. He organizes and teaches competitive cooperation – cooperation to provide better opportunities for life and for a more abundant life. These business activities – organizing, inspiring, leading and teaching cooperation – promote development of the highest qualities of mind, character, and personality.

Now, from time immemorial – from the first introduction of money and the specialists who traded and promoted trades – business has been widely regarded with suspicion and looked down upon as a degrading occupation. In primitive societies, the view prevails that a merchant or money lender profits only at the expense of producers. This belief helps explain why such societies remain backward, or "under-developed."

Of course, this belief is an entire misjudgment as to what most of a businessman's wealth consists of and what he contributes to the value of other producers' services and incomes. Most of his wealth consists of the means for serving his customers, and he contributes some of the most essential ingredients of human progress.

Wherever this disparaging attitude toward business becomes general, you'll find that business is harassed, regulated, plundered, and repressed; and under such persecution, the character and wisdom of businessmen tends to be low. Where opinion-makers teach that business is a dishonest racket, then those that are willing to be racketeers or cheats will monopolize business, while achievers who value the good opinion of their fellows will choose other occupations, such as politics and the military. Then we find the kind of government the Pharaohs had in ancient Egypt, or that prevailed as the Roman Republic gave way to the Empire. Under such oppressive governments, a businessman must be something of a trickster to survive.

Spreading Hostility

As hostility to businessmen grows, politicians tax them more heavily, while debasing and inflating the currency to maintain an illusion of prosperity. Then, when these policies cause rising price levels, a deluded populace demands price controls, which ambitious politicians are all too ready to impose.

The resulting shortages and "black markets" provide further excuses for more government action to combat these supposed evidences of private "greed."

This cancerous growth of government produces political "leaders" who promise peace and plenty even while they squander the

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fruits of industry in pauperizing the poor and waging "perpetual war for perpetual peace."

The result must be, sooner or later, a spreading decline in the quality of life despite (or because of) the increasing largess to "the poor" and the privileged, the rise of great new public works, and the display of awe-inspiring armaments.

Civilization progresses when business is widely regarded as Horatio Alger represented it in his stories 75 or more years ago. In those once-popular tales, work and thrift in honest business service were the high road to personal success in the broadest sense of that word. That view of business helped attract able, enterprising youths into business careers. It prevailed in this country long before Alger wrote and helps explain the astounding economic and cultural progress of the United States during the past two centuries.

On the other hand, insofar as we lose the Horatio Alger understanding and spirit, we succumb to increasing paternalism and despotism, collectivism and war, which demoralize and belittle the individual and produce a widespread cultural decline. This has happened time and time again in history, and if we don't learn the lesson from this history, we shall be doomed to repeat it.

Every nation has developed and flowered – with art, music and the other ornaments and means of civilization – only on the basis of flourishing business, trade and commerce. This was true of the Phoenicians, Ancient Greece, and Ancient Egypt, the Chinese civilization, the Byzantine Empire, Venice, Florence, Spain, England, France, Germany and the United States. Go through the history of each and you'll find in its origins this period in which commerce and finance were highly regarded and relatively free in a developing civilization.

Again and again, however, these eras of progress have ended as the intelligentsia became worshippers of the Almighty State. Then these intellectuals – scribes and priests – became more and more scornful of businessmen; and business lost its vision because it lost its men of vision. Men of talent and imagination, instead, accepted the faith of the state-employed intellectuals that a well-schooled elite must make more and more choices for the general run of the population and compel the inferior masses to accept this planning and direction of their lives.

Submerging the Individual

With this elitist excuse for tyranny, governments organize militaristic and imperialistic gangs to

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substitute forms of slavery for the voluntary cooperation of free individuals. Then, as in Communist China and Russia today, even the ablest of the ruling bureaucracies find that any individual is expendable – trapped and exploited or liquidated – as millions of humans are sacrificed on the altars of Planned Perfection. The Moral Law of the Golden Rule and of the Ten Commandments may be violated, but not with impunity. He who harms others, harms himself; he who deceives another, cheats himself.

This faith in Moral Law, I find, permeates the thinking of our Northwood administration and faculty. Along with it goes insistence on the fact of individual responsibility and a broad, long-range view of personal success. A businessman's moral responsibility is no less than that of a teacher, physician, minister, artist or writer.

Essential to the Northwood Idea, then, is appreciation of the unlimited opportunities for character development in voluntary business enterprise.

Temptations correspond to the opportunities, and each occupation has its own peculiar temptations as it has its own peculiar opportunities. As few find the "strait gate" and "narrow way" of righteousness in other walks of life, likewise few businessmen will claim that they have always followed the right path in their own work. Only those who look for business profits in life-supporting efforts that are mutually beneficial can achieve success in the true meaning of that word.

This, I believe, may be the most distinctive feature of the Northwood Idea – the view that our graduates should look on business not merely as an easier way to attain ease and affluence, but as an opportunity for utilizing their highest human qualities and attaining lasting satisfaction in a life well spent.

IDEAS ON LIBERTY

Courtesy: A Saving Grace

To BE DISAGREEABLE is high treason against your role in civilization. Examples of this crime are: to say some sickening thing offhandedly and make the victim writhe, or to provoke others into breach of good manners, or to indulge in crude behaviour or language. There is no possible excuse for vulgarity.

The Royal Bank of Canada Monthly Letter, September, 1972

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CLARENCE B. CARSON

THE FOUNDING OF THE AMERICAN REPUBLIC

20

Steering a Course for the Nation

REPUBLICS had been notoriously unstable, fiscally irresponsible, subject to being pulled hither and yon by foreign influences, divided and laid open to civil commotions by partisan conflicts, and rent by contests over succession to leadership. No fact troubled the more thoughtful of the Founders of the United States more than this one. The United States had already witnessed before 1789 many of the results of the fatal tendencies of republics. Monarchy had ever and again been revived to solve the more tenacious problems of republics. Could the United States be steered around the shoals on which other republics had foundered? There were those who doubted it. After all, what would be the rock to anchor a government against the storms without a monarch? The answer seemed to be that there must be no storms, but it was unrealistic. How could a country be induced to yield to precedent, tradition, and those founts of governmental stability – awe and obedience – without the bulwarks of established church, hereditary aristocracy, and monarchy? Perhaps it could not be done at all. But if it could be done, it would be because the best and

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most able men should be engaged in political leadership and that they should set examples which lesser men would follow in the course of time. The outstanding men had come to the fore and taken their places, as we have seen; it now remained to be seen if they could set a safe course.

Erecting a Financial Structure

It is all too easy to find fault with Hamilton and his programs. Much of what his political foes said against him and his programs was true. He did entertain great doubts about the political wisdom of the general populace. He was a nationalist who cared little enough about the integrity of the states, if he thought they had any. He was a mercantilist, or at least he was under the sway of the fag ends of mercantilist ideas. He was ambitions, aggressive, a broad constructionist, and did intrude in foreign affairs. Those of us who differ with him in the main thrust of his economic policies may criticize him for his protectionist and promanufacturing posture.

Yet, when all has been said against him and his programs, it should be granted that what he accomplished offsets much of it. He emerges from an examination of his policies as one who, if he did not always do right, generally did well. There are few enough men with large vision, probably fewer who can conceive the programs necessary to realize it, and the number is quite small who will labor tenaciously to get them in operation. It is easy enough, as I say, to criticize his financial program; but which of the critics could establish the financial foundations of a nation?

Hamilton conceived a financial program which he hoped would provide the sinews of a nation. His task would have been hopeless enough if he had aimed only to get revenue to run the government. Americans were loath to pay taxes of any kind, and politicians had shown themselves all too willing to adopt expedients which would enable them to operate for a time without the onerous necessity of taxes. But Hamilton wanted much more than a revenue. He wanted to establish the credit of the United States, when bankruptcy was the obvious outlet. And, he wanted to do so in such a way that would tie men of wealth and position to the government, get the people to look toward the United States government as *the* government, and make it clear that the general government would take care of national concerns.

Hamilton's program was presented in a series of reports to Congress in 1790-91, and much of it as was enacted, which was most

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of it, was enacted during the same years. The main acts dealt with the acceptance and funding of the national debt, the assumption of state debts, the establishment of a Bank of the United States, and the establishment of an excise tax on whisky.

Establishing the Credit of the United States

Hamilton's first report, which was on the public credit, was presented January 14, 1790. In it, he argued vigorously that the domestic debt as well as the foreign debt should be assumed at the full value originally contracted. There were many of the opinion that the domestic debt should be discounted. Most of the obligations were held by speculators now, it was argued, men who had bought them at a fraction of their face value and who stood to be greatly enriched if they were paid off at full value. Hamilton approached the subject from the angle of establishing the credit of the government. "By what means is it to be effected?" he asked. "The ready answer to which question is, by good faith; by a punctual performance of contracts. States, like individuals, who observe their engagements are respected and trusted, while the reverse is the fate of those who pursue an opposite conduct."

While the observance of that good faith, which is the basis of public credit, is recommended by the strongest inducements of political expediency, it is enforced by considerations of still greater authority. There are arguments for it which rest on the immutable principles of moral obligation. And in proportion as the mind is disposed to contemplate, in the order of Providence, an intimate connection between public virtue and public happiness, will be its repugnancy to a violation of those principles.

This reflection derives additional strength from the nature of the debt of the United States. It was the price of liberty. The faith of America has been repeatedly pledged for it, and with solemnities that give peculiar force to the obligation . . .[1]

Hamilton's proposal to establish a fund for paying the national debt at face value was linked in the same bill with a plan for the assumption of state debts contracted during the War for Independence. Assumption of state debts was much more controversial than the other matter. In fact, the idea bordered on the preposterous, in view of past history. At least some of the states had made headway in paying their debts; whereas, as yet, no United States government had demonstrated either the willingness or ability to service any debt. Moreover, there were differences in

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size of debt from state to state. However, adjustments were made for this, Hamilton did some horse-trading with the Virginia delegation, and both funding and assumption passed. The United States issued new securities to replace the old, paid interest on them, and set aside funds to take care of them. No immediate progress was made, however, in actually paying off the debt. Even so, the credit of the United States began to show improvement.

A United States Bank

Hamilton's next major proposal was for a United States bank. He proposed that it should be chartered as a corporation by the Federal government, that the government should subscribe to 20 per cent of the stock, and that the remainder should come from private investors. Federal funds were to be deposited in it, and the bank was to issue paper money which would become the main currency of the United States. Jefferson argued that there was no authority in the Constitution for chartering such a corporation, but Hamilton carried the field, and Washington signed the bank bill into law February 25, 1791. Stock in the bank sold within hours after it went on the market.

Congress passed an excise tax on whisky in March 1791. This was the first tax levied by the United States government to be borne directly by American producers. It was much resented, particularly by western Pennsylvania farmers, who were accustomed to shipping their corn east in a liquid state. A rebellion broke out there in 1794, and it was put down by troops. Some Americans, at least, had felt the power of the new government directly.

Protectionism

Hamilton's most ambitious and extensive program was contained in his Report on Manufactures which he presented in December of 1791. In it, he clothed the argument for government intervention in its most attractive apparel. He held forth a vision of America drawn together in fraternal bonds through the interdependence of manufacturers, shippers, and farmers. North and South, East and West, would be drawn together in a great economic cornucopia. Few could gainsay him that there were advantages to the division of labor, to an American independence of foreign countries, or even that there was good reason to draw immigrants to American shores along with foreign capital. All of this was attractive background to an argument for government aid to manufacturing. "Such aid must consist of pro-

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tective duties against competitive foreign manufactures, bounties for the establishment of new industries, premiums for excellence and quality of manufactured articles, exemptions of essential raw materials from abroad from import duties . . ., the encouragement of inventions, improvement in machinery and processes by substantial grants . . ., and, finally, the construction of roads and canals for a . . . flow of physical goods and materials."[2]

Too Much for Congress

With such a program, however, Hamilton had bit off more than Congress could swallow. Even supposing the program to be desirable, which many doubted, where was the authority in the Constitution to spend the tax moneys taken from the generality of the people for such purposes? Hamilton argued that the power was there in the general welfare clause. If this were so, Madison declared, then "every thing from the highest object of state legislation, down to the most minute object of police would be thrown under the power of Congress."[3] Thus, the main elements of Hamilton's grandest scheme were turned back.

Even so, the broad lines of Hamilton's achievements have been enthusiastically summarized in this way by a present-day historian:

By 1792, largely as a result of the leadership assumed by Alexander Hamilton, the heavy war debt dating from the struggle for independence had been put in the course of extinguishment, the price of government securities had been stabilized close to their face value . . ., a Federal revenue system had been brought into being, a system of debt management had been created, the power of the Federal government had been decisively asserted . . ., and the credit of the Federal government had been solidly established.[4]

Independence in a Hostile World

The United States were dependent upon European countries in the gaining of separation from England. The French alliance supplied both the naval power and a considerable army for the winning of the most impressive victory against the British on the American continent. That other nations were at war with or hostile to Britain made the American victory more certain. The favorable treaty gained by the United States at Paris in 1783 was made possible by the cross currents of animosities and jealousies among European powers. The United States staved off bankruptcy time and again in the 1780's with loans acquired in European countries.

One of the greatest tasks of the United States under the Constitution was to shake off the depend-

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ence upon Europe. Undoubtedly, European powers still viewed the United States as a potential pawn in their contests with one another. The French were inclined to the view that they had a special claim on both the good will of and special favors from the United States. The British, on the other hand, could not view with equanimity anything short of such close relations with the United States as that the old relationship of dependence would be in some measure restored. The Spanish were not resigned to the dominance by the United States of the eastern portion of the continent. Nor would the United States be independent of Europe until the British hold on the Great Lakes and the Spanish control of the Mississippi were broken.

The most alluring way out of the difficulties these things posed was for the United States to attach itself to some European power which would become their protector and champion their causes against all others. That is what, to a limited extent, had been done with France. But the French had been of very little help against Britain and Spain after the war. Moreover, the changes in France after 1792, and the new European war which broke out, made the French connection an almost certain liability and would have linked the United States to governments which not only changed frequently but also were tyrannical and oppressive. The course which Presidents Washington, Adams, and Jefferson chose successively was independence from all these powers. But it was easier to choose such a course than to steer it.

European Conflicts with American Repercussions

The first crisis of the Washington Administration came when the French declared war on England, Spain, and Holland. The Franco-American Alliance committed the United States to the defense of the French West Indies and not to render aid to France's enemies. Washington issued a Neutrality Proclamation shortly after the war broke out, stating that the United States was at peace with both Great Britain and France, and warning Americans not to commit hostile acts against either side. Jefferson had raised some doubt as to Washington's authority to do this, but he did not push the point. A few days before Washington made his proclamation, a new Minister from France had arrived in the United States, a man known as Citizen Genêt. Genêt had no sooner arrived than he began to commission privateers from American ports to prey on British ship-

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ping. Washington warned him against this, but he persisted in similar activities, and the President eventually demanded his recall.

In 1794 Congress passed a Neutrality Act, which confirmed Washington's earlier Proclamation, in effect, and put teeth into it. Already, relations with France had deteriorated considerably. When the United States came to terms with Britain in a treaty, they grew worse. The accord with Britain is known as Jay's Treaty; it was signed by the diplomats in November of 1794 and ratified by the Senate June 24, 1795. By this treaty, Britain agreed to and did shortly withdraw their troops from the posts on the Great Lakes. It also opened up the East and West Indies to trade with the United States. A joint commission was appointed to deal with the debt claims, particularly of British merchants, which went back to colonial days, and a final settlement was made in 1802. British trade with the United States was placed on a most favored nation basis, which meant that any trade concession granted to any other nation would also be granted to British traders. This treaty settled most of the outstanding difficulties between the two countries; but in view of increasing difficulties with France, it was interpreted by that country as a slap in the face.

On the heels of Jay's Treaty came Pinckney's Treaty with Spain in 1795. By its terms, Spain acknowledged the boundaries of the United States as being those established by the Treaty of Paris (1783), agreed to the free navigation of the Mississippi, and accorded the right of deposit at New Orleans to Americans for a period of 3 years. By these two treaties the United States made great headway toward the practical attainment of an independence of Europe which had been sought in the Treaty of Paris.

However, the French government now posed increasing problems for the United States. It refused to receive Charles C. Pinckney as U.S. Minister to France when he arrived there in late 1796. Nor was the commission made up of Pinckney, John Marshall, and Elbridge Gerry, appointed by President Adams to negotiate a settlement, treated any better. The French government did not formally receive them, and agents of the foreign minister, Talleyrand — agents designated in dispatches as X, Y, and Z — suggested that the government would be happy to treat with them if they would pay a bribe and give France a loan. This XYZ affair stirred up much resentment in America when it was

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made public in 1798. Many expected that France would go to war with the United States at any time. Adams initiated such measures in preparation for the conflict as he thought prudent. And, an undeclared naval war between the two countries did take place, 1798-1800. Meanwhile, Adams continued efforts to reach an accord with France. This was achieved in what is known in diplomatic history as the Convention of 1800. France agreed to release the United States from the treaties made in 1778, and diplomatic relations between the two countries were resumed.

The Monroe Doctrine

It would take us too far afield to go into any detail about the foreign relations of the next twenty-five years under Jeffersonian Republicans. They were, however, pointed toward the following of an independent course in the world. This was made extremely difficult by the Napoleonic wars which embroiled Europe for the first fifteen years of the new century. Both France and England continued pressure on the United States. The pressure of France however, was greatly reduced by the Louisiana Purchase. But the pressure of Britain led eventually to the War of 1812, which some historians have called the Second War for Independence. Perhaps the culminating symbolic move in the establishment of American Independence was the Monroe Doctrine set forth in 1823. By it, President Monroe announced that the Americas were not subject to further colonization and by so saying attempted to place the Americas off limits to the European quest for empire and to free this continent from the struggles of Europe.

During these early years of trial a set of principles for American conduct with other nations had emerged from pronouncements and practice. The following is a summary of them, stated as imperatives:

The United States *should*

- 1. Establish and maintain a position of independence with regard to other countries.
- 2. Avoid *political* connection, involvement, or intervention in the affairs of other countries.
- 3. Make no permanent or entangling alliances.
- 4. Treat all nations impartially, neither granting nor accepting special privileges from any.
- 5. Promote commerce with all peoples and countries.
- 6. Cooperate with other countries to develop civilized rules of intercourse.
- 7. Act always in accordance with the "laws of nations."
- 8. Remedy all just claims of injury to other nations, and require

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just treatment from other nations, standing ready, if necessary, to punish offenders.

• 9. Maintain a defensive force of sufficient magnitude to deter aggressors.[5]

The Rise of Political Parties

One of the unforeseen and, by some, unwished for developments in the early years of the Republic was the rise of political parties. No reference to any role for them was made in the Constitution. There had not been, as yet, any political parties in America; divisions were occasional or tied to factional leadership of some man, as a rule. To formalize such differences by organizing them into political parties would have appeared the height of folly to many of the Founders. In fact, there was good reason to suppose that if the Republic did not founder on the shoals of foreign entanglements it would split under the stress of partisan or factional contests, as republics had tended to do in times past.

George Washington, in his Farewell Address, warned the country "in the most solemn manner against the baneful effects of the spirit of party" generally. He declared that:

> It serves always to detract the public councils and enfeeable the public administration. It agitates the community with ill-founded jealousies and false alarms; kindles the animosity of one part against another; foments occasionally riot and insurrection. It opens the door to foreign influence and corruption, which find a facilitated access to the government itself through the channels of party passion. Thus the policy and the will of one country are subjected to the policy and will of another.

Washington admitted that the spirit of party arose out of human nature itself and was unlikely to be entirely extinguished, but he exhorted his countrymen that the "effort ought to be by force of public opinion to mitigate and assuage it."[6]

Washington had reason enough for his fears about the spirit of party. Even before he left office the lines of party were forming; his Cabinet had already experienced the strain; and the country at large was about to witness some of the most acrimonious disputes that have ever taken place. It should be noted, however, that as yet disputants did not ordinarily mount the stump to address the people directly about their differences. Attacks usually appeared in newspapers, and more likely than not if major figures were involved they wrote or had their cases presented under pseudonyms. Such practices did not, however, promote restraint or prevent

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breaks between individuals which were difficult to heal. They may well have had the contrary effect.

It is not difficult to see why parties and factions arise when men are free to hold and practice different views. Men simply do not see all questions from the same angle, and they do have, as individuals and groups, different interests from one another. And, men ever and again are drawn to the conceit that what is to their advantage is also to the advantage of the generality of people. Those in power usually take a more generous view of the extent of their power than those who do not have such power. There is, undoubtedly, a general welfare, but men hardly discern it and focus upon it exclusively in the course of their careers.

Major Questions at Issue

There were choices of course in plenty to divide Americans and provide the opportunity for politicians to capitalize on them in the early years of the Republic. After all, the course of the nation was being set. Strong willed and determined men were placing their imprint upon it. Small wonder that those favoring and those opposing certain courses of action should form opposing factions which eventually assumed more permanent status. How should the Constitution be interpreted? Should it be broadly or strictly construed? Should the powers of the general government be greater, or those of the states preserved and enhanced? In foreign affairs, should the French Revolution be supported? Or should the United States link its fortunes to those of Britain? Or, if the United States was to be neutral, would this not benefit one side at war to the disadvantage of the other? More fundamentally, were there not choices to be made between order and liberty, between reason and experience, and between the individual and the community? If this latter formulation poses the distinctions too bluntly, it nevertheless indicates configurations of belief toward which men tended.

The two parties which emerged in the 1790's were called Federalist and Republican. Alexander Hamilton and John Adams are usually associated with leadership of the Federalist Party, which indicates also the early division in that party, division which in the course of time sundered it. New England was the center of the strength of the Federalist Party, but it had devotees throughout the country. Thomas Jefferson and James Madison were the leaders of the Republican Party, and the bulk of its strength was from Pennsylvania southward. The Republican Party was born in opposition, which prob-

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ably made it considerably more united than the Federalist, which was born in power and suffered in the beginning from the stresses of power. It is much easier to be united in opposition and adversity than in possession of power and prosperity.

Federalists vs. Republicans

Though it must be understood that leaders of parties are not in perfect agreement, that men do not readily acknowledge either-or positions, that the following should not be taken as absolutes, Federalists and Republicans did tend to divide along the following lines. Federalists were more inclined to emphasize the depravity of man, particularly that of the generality of men, than were Republicans, though Madison readily declared man' to be a frail vessel, and Jefferson would not deny it. Federalists emphasized the importance of experience, tradition, awe, and veneration, while Republicans were more hopeful about the benefits of reason. Federalists inclined to be nationalists (when they were in power), and the Republicans to favoring state's rights. Federalists tended toward mercantilism in economic policy, while Republicans were much more favorably disposed toward *laissez-faire*. Federalists favored industrializing, while Republicans wanted an agricultural economy with an emphasis on foreign trade. Republicans were much more favorably disposed toward France than were the British-leaning Federalists.

It is not to the purpose of this work to devote much attention to these conflicts. What is important is that they were there and that political parties took shape around them as issues. Nor is it so important that when the Republicans were in power for awhile they began to abandon the policies they had championed and to advance some of those they had opposed. Being in power is a severe test of anyone's beliefs, and there are usually excuses enough in changing circumstances for altering them. What is important is that though political parties are extra-constitutional they came to play an important role in buttressing and maintaining the Constitution.

One of the checks and balances on government not conceived and contrived in the Constitutional Convention was that provided by political parties. Perhaps the greatest check of all on those in power is provided by the opposition party and by its members who hold office, not the power of determining policies. If the party in power takes a generous view of the powers available to its members, the one out of power uses the limited powers doctrine as one of its reasons

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for opposing the extension of power. The Jeffersonians out of power opposed the Sedition Act as unConstitutional. Federalists out of power opposed the Jeffersonian Embargo and defended state's rights. So it has frequently been throughout American history. The strict construction doctrine would sometimes have few advocates without a minority party.

The Jeffersonians brought particularly important counter-balances to the Federalist emphasis. It probably was most useful that the early officials of the United States should have emphasized dignity, respect for law, pomp, and even ceremony. But Jefferson was much more in keeping with the genius of America in his emphasis upon republican simplicity and informality. Though the mercantile ideas of Hamilton may have served some temporary purpose, the Jeffersonians brought to the fore newer, fresher, and freer economic ideas, and there was no doubt that Jefferson believed in paying off the debt. Albert Gallatin, as Jefferson's Secretary of the Treasury, was a remarkable counterpart to Hamilton. He was equally brilliant, and his thought tended toward the freeing of enterprise. It may be of some use to quote him in a critique of the tariff system, a critique penned long after he had left the Treasury:

> Let it be recollected, that the system is in itself an infraction of an essential part of the liberty of the citizen. The necessity must be urgent and palpable, which authorizes any government to interfere in the private pursuits of individuals; to forbid them to do that which in itself is not criminal, and which every one would most certainly do, if not forbidden. Every individual, in every community, without exception, will purchase whatever he may want on the cheapest terms within his reach. The most enthusiastic restrictionist, the manufacturer, most clamorous for special protection, will, each individually, pursue the same course, and prefer any foreign commodity, or material, to that of domestic origin, if the first is cheaper, and the law does not forbid him. All men ever have acted, and continue, under any system, to act on the same principle. . . . The advocates of the tariff system affirm, that what is true of all men, individually, is untrue, when applied to them collectively. We cannot consider the adherence of enlightened nations to regulations of that description, but as the last relic of that system of general restrictions and monopolies, which had its origin in barbarous times. . . .[7]

Perhaps the greatest precedent set in the early years of the Republic grew out of party divisions. That precedent was the peaceful change from one set of rulers to another. The congressional elections are so staggered that at no

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time would there be an entirely new Congress. Even more is it unlikely that the personnel of the Federal courts would all change at any time. The one crucial branch, then, for the above and other reasons, for a change from one group of rulers to another is the executive branch. There was no over-all change in that branch until 1801. Though Washington stepped down in 1797, there was a clear continuity between his administration and that of Adams, for the members of the Cabinet were continued. Not so, when Jefferson came into office as President. Party divisions and loyalties had become so strong and determining, the feelings between Adams and Jefferson were so heated, that there could be no question of Jefferson's continuing with Adams' Cabinet. Yet, for all the strong feelings, the change from Adams to Jefferson was made peacefully. And so it has been ever since: Americans have become so accustomed to the peaceful change of rulers (or governers, if one's sensibilities are stirred by the other term) as not to remark it. Yet it is always a remarkable thing in history when a man with such powers yields them up to someone else without war. In a sense, our political contests are a means of shifting the conflict from the field of battle to the arena of ideas and words. The contest is usually sharp, but the loser retires gracefully from the field.

The Two-Party System

Were Washington's fears of parties groundless, then? Surely, they were not groundless; he could have called up much history in support of them. Nor did he expect that America would be without such divisions; he hoped only for a mitigation of the harshness of them. And, it can be reported that this occurred. Two major developments have made party contests less than seriously divisive, as a rule.

One is that the United States has usually had only two major parties. A multiplicity of parties does tend to divide the country into irreconcilable factions. Whereas, when there are only two major parties, they tend both to contain many people of similar views in each of them and to try to attract any considerable faction not yet within the party. But why, it is asked, has the United States had only two major parties? Some have supposed that the predilection to do this is peculiar to Anglo-Saxon peoples. But such an explanation is of most doubtful validity. The much more likely explanation is the winner-take-all practices, some in the Constitution, some added by the states. In elections to Congress, there is, as a rule, only one winner

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in a district and in a state. (On rare occasions, there occurs an election of two Senators from the same state in the same election. But in such a case, candidates run separately for the positions, since the term of one of the men elected would not be for the full six years.) The office of President is clearly a winner-take-all affair, and states have made this true for electors along party lines as well by giving the whole vote for electors to the party which attains a plurality. The effect of this practice (as contrasted with proportional representation) is that only major parties can sustain any considerable following over the years by patronage. And only two parties can reasonably expect to elect many to office. They do so, as a rule, only by appealing to a very broad electorate.

The other offset in the American system to the baneful effects of party is a little more complicated. Washington noted that in "governments of a monarchical cast" it is plausible to "look with indulgence, if not with favor, upon the spirit of party. But in those of the popular character, in governments purely elective, it is a spirit not to be encouraged."[8] We can read between the lines of this a little and almost certainly infer his meaning. A land which has an hereditary monarch has continuity and stability. Governments change, cabinet officers come and go, a new election brings new members of the legislature, but the monarch remains. A republic, however, does not have this visible symbol of continuity and stability. When it is divided by parties, there is no man beyond these contesting groups to provide it. Yet the United States has had a sign and symbol – a vertitable rock – to give it continuity and stability. It is, of course, the Constitution. Washington may be pardoned for not foreseeing that it would serve in that office.

The Constitution as Higher Law

The most likely prognosis for the Constitution in 1789 was that in very short order it would become a dead letter. After all, it was only a "piece of paper," and power resided in the hands of men once the government was organized. The ways by which it might have become a dead letter are so numerous that only a few of them need be suggested. Once men had power in their hands, they might have gone their own way, using the Constitution only as a launching pad, as it were, to come to power, then ignoring its restrictions. The states, on the other hand, might have made of it a nullity by so circumscribing the actual exercise of powers that the general government would be

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of no account. The President might have become a dictator. The Constitution might have remained; all might have given it their vocal allegiance; but none allowing it any effect on their actions.

We know, of course, that these things did not occur. Instead, the Constitution became, in fact, a Higher Law in the United States, a Constitution above constitutions, and a document to which men truly repaired for the resolution of vexed issues. That this occurred can be attributed to tradition, circumstances, and the efforts of leading men.

Americans had a tradition of higher law, and it needs here only to be briefly recalled. They were a people of the Book, to whom the Bible was a higher law. They accepted, also, the belief that natural law was higher law. In the British and colonial traditions, they had received the belief that certain basic documents constitute a higher law, i.e., charters, covenants, declarations, and acts of conventions. This is to say that Americans were predisposed to the acceptance of a higher law, and they were especially sensitized to written laws.

The circumstances in which the Constitution was drawn and ratified lent weight to the giving of a unique place to it. It had been drawn in convention by some of the most prominent men in America. This had been done behind closed doors and by way of debates to which the public at large was not privy. It had been ratified by special conventions within the states by men chosen for the particular task. And, most of the prominent men in America came forth to serve in the government which it authorized.

Course Set by Washington

George Washington gave the full weight of his prestige to the Constitution. He wanted only men in his government who were devoted to it, and in his appointments attempted to make this the first requirement. His public pronouncements were such as to add weight and authority to the document. In his First Inaugural Address, he referred "to the great constitutional charter under which you are assembled, and which, in defining your powers, designates the objects to which your attention is to be given."[9] He said in his Farewell Address that those entrusted with governmental powers should

> confine themselves within their respective constitutional spheres, avoiding in the exercise of the powers of one department to encroach upon another. The spirit of encroachment tends to consolidate the powers of all the departments in one, and thus to create, whatever the form of government, a real despotism. . . . If

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in the opinion of the people the distribution or modification of the constitutional powers be in any particular wrong, let it be corrected by an amendment in the way which the Constitution designates. But let there be no change by usurpation; for though this in one instance may be the instrument of good, it is the customary weapon by which free governments are destroyed.[10]

Other men who were or would be Presidents uttered similar messages. James Madison said in 1792:

> Liberty and order will never be *perfectly* safe, until a trespass on the constitutional provisions for either, shall be felt with the same keenness that resents an invasion of the dearest rights, until every citizen shall be an Argus to espy, and Aegeon to avenge, the unhallowed deed.

Thomas Jefferson declared in 1793:

> Our peculiar security is in the possession of a written Constitution. Let us not make a blank paper by construction. I say the same as to the opinion of those who consider the grant of the treaty-making power as boundless. If it is, then we have no Constitution. If it has bounds, they can be no other than the definitions of the powers which that instrument gives.

But it was John Marshall, as Chief Justice of the Supreme Court for 35 years, who raised the Constitution to the pinnacle as the Higher Law in the United States. Among the large number of decisions of the court written by Marshall, a goodly number were referred to the Constitution for resolution. Indeed, Marshall appears to have relished those instances when he could make of the question before the court a constitutional question. This judgment is based on the fact that some of them could have been decided readily on other than constitutional grounds. Marshall made the Constitution very much a live letter, by making it available as law on which decisions could rest, by bringing Congress to heel, by bringing the states to heel, and by using it both as authority and restraint. Marshall tried to make it clear always that those brought to heel were not brought to that posture by the court but by the Constitution. In *Osburn v. U.S. Bank* delivered in 1824, he said: "Judicial power, as contra-distinguished from the power of the law, has no existence. Courts are the mere instruments of the law, and can will nothing."[11] He viewed the Constitution as "intended to endure for ages to come," and made decisions designed to ensure that it would.

In *Marbury v. Madison,* delivered in 1803, Marshall declared that the Constitution limits the

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Congress. "The powers of the legislature are defined and limited; and that those limits may not be mistaken or forgotten, the constitution is written." When the legislature acts contrary to its constitutional authority, its acts are not to be put in force. For, he said, "the particular phraseology of the constitution of the United States confirms and strengthens the principle, supposed to be essential to all written constitutions, that a law repugnant to the constitution is void, and that courts, as well as other departments, are bound by that instrument."[12]

Upholding the Constitution

In *Fletcher v. Peck* (1810), Marshall spoke for a unanimous court when he held that the states were restrained by the Constitution. He said that Georgia "is a part of a large empire; she is a member of the American union; and that union has a constitution, the supremacy of which all acknowledge, and which imposes limits to the legislatures of the several states, which none claim a right to pass."[13]

Marshall could buttress his decisions with the broadest principles, but he could also construe the Constitution with great attention to distinctions. For example, the case of *Craig et. al., v. The State of Missouri* involved the attempt to issue paper money by the state. The state contended that since this money was not made legal tender, it was permitted. Not so, said Marshall:

> The Constitution itself furnishes no countenance to this distinction. The prohibition is general. It extends to all bills of credit, not to bills of a particular description . . . The Constitution . . . considers the emission of bills of credit and the enactment of tender laws as distinct operations, independent of each other, which may be separately performed. Both are forbidden. To sustain the one because it is not also the other; to say that bills of credit may be emitted if they be not made a tender in payment of debts, is in effect, to expunge that distinct independent prohibition, and to read the clause as if it had been entirely omitted. We are not at liberty to do this. . . .[14]

Marshall's Great Contribution

It has been commonly said of Marshall that in his decisions he construed the Constitution in a way to increase the power of the general government, that he was a nationalist, and that he built the power of the United States government at the expense of the states. This view contains some truth, obviously, but it is not the most important thing to say about him. It can also be truly said that Marshall by the tone and character of his decisions gave the central

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role in expounding the Constitution to the Supreme Court, but that is not the most important thing to say about him, for that position can be and has been abused. What looms above all the other things he did as an enduring contribution is that he looked to and raised the Constitution to the position of Higher Law – a law to which courts, congresses, presidents, and states must yield. Above all, he professed to be bound by the Constitution. "This department," he said, "can listen only to the mandates of law, and can thread only that path which is marked out by duty."[15] The Supreme Court arose to high regard not because people believed that the Constitution was what the court said it was but because they believed that the court spoke not the will of its members but submitted their wills to the Constitution. John Marshall made such a view credible.

The course of the nation was set in the early years of the Republic. The credit was established, and men came to believe that the obligations of the United States would be met. The United States adopted and followed an independent course in the world. The government was further checked and balanced by political parties. And the Constitution achieved a special place as a Higher Law binding all Americans.

• FOOTNOTES •

1 Richard B. Morris, *Alexander Hamilton and the Founding of the Nation* (New York: Dial Press, 1957), pp. 290-91.

2 Nathan Schachner, *The Founding Fathers* (New York: Capricorn Books, 1954), p. 187.

3 John C. Miller, *The Federalist Era* (New York: Harper and Row, 1960), p. 66.

4 *Ibid.*, pp. 68-69.

5 Clarence B. Carson, *The American Tradition* (Irvington: Foundation for Economic Education, 1964), p. 212.

6 Henry S. Commager, *Documents of American History* (New York: Appleton-Century-Crofts, 1962, 7th ed.), p. 172.

7 E. James Ferguson, ed., *Selected Writings of Albert Gallatin* (Indianapolis: Bobbs-Merrill, 1967), pp. 438-39.

8 Commager, *op. cit.*, p. 172.

9 *Ibid.*, p. 152.

10 *Ibid.*, pp. 172-73.

11 Quoted in Edward S. Corwin, *The Constitution and What It Means Today* (New York: Athenaeum, 1963), p. x.

12 Commager, *op. cit.*, pp. 193-95.

13 *Ibid.*, p. 206.

14 *Ibid.*, pp. 252-53.

15 *Ibid.*, p. 253.

Next: The Beacon of Liberty

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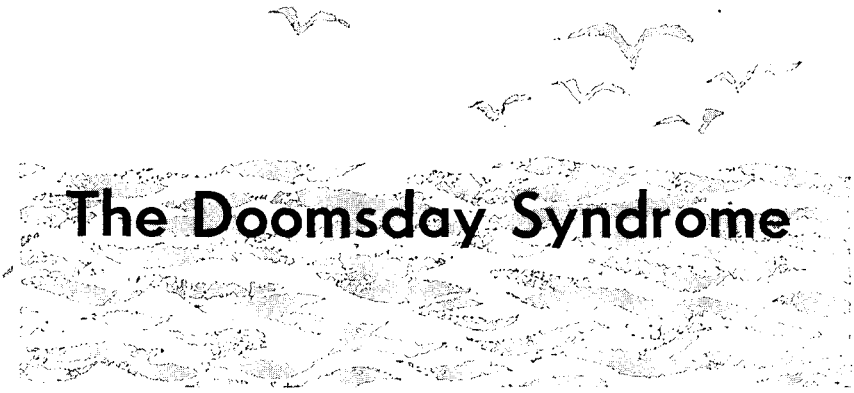

The Doomsday Syndrome

IN THE EARLY Nineteenth Century William Miller, using Scripture for his authority, confidently predicted the end of the world would come in 1843. He had thousands of disciples. When the year of doom passed and nothing happened, he revised his calendar: the funeral date for humanity on this earth would coincide with the Second Coming of Christ in October of 1844.

Miller was a religious fanatic, and we laugh at his kind in a secular age. But are our secular doomsayers any more credible in their extrapolations and prophecies? I was an early ecologist, and I wrote about — and practiced — organic gardening back in the Thirties. Chemurgy, which advocated the recycling of practically everything, was an exciting movement of the times. So, when the ecologists had their grand revival in the Sixties, I felt a sympathetic stirring in old bones. There *is* a pollution problem, and it must be tackled. The Long Island Sound coast where we dug for clams and harvested mussels when I was a boy is now verboten as a source of consumable shellfish, and to swim at low tide is to risk a bath in oil. The ecologists have many good points in decrying such a state of environmental affairs. Unfortunately, the secular Millerites among them started running away with the predictable result that the sensi-

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ble parts of the movement have been discredited along with the palpable idiocies.

It is with the hope of saving ecology from its fanatic friends that John Maddox, the editor of *Nature* magazine in England, offers his *The Doomsday Syndrome* (McGraw-Hill, $6.95). Mr. Maddox grew tired of hearing that the world was about to asphyxiate itself. The "numbers game" of the population explosionists, which predicted the starvation of "hundreds of millions of people" in the Nineteen Seventies, seemed to him a vastly overdramatic posing of unreal scarecrows. He doubted that DDT, which had eradicated malaria in many tropical areas, was a universal menace, even though it may have had some as yet undetermined impact on the birthrate of a few species of birds. He couldn't accept the claim that we must suffer from a shortage of metals; after all, the junk piles can become the new mines, and the uses of plastics as a metal substitution are practically infinite.

Scared to Death?

Rachel Carson had started the doomsayers on their way with her *Silent Spring*, which scared thousands with its warning that "a few false moves on the part of man may result in destruction of soil productivity and the arthropods may well take over." Looking back on such a statement, Mr. Maddox asks if there was ever any reason to fear that the entire surface of the earth would be treated in exactly the same way at exactly the same time, with all vegetation dying and the insects proliferating despite the insecticides and the lack of foliage to eat?

When Mr. Maddox looked at a map of the Amazon basin, or the Congo, or even of Wiltshire in England, it was more than obvious to him that even the worst agricultural practices would still leave plenty of trees and plenty of photosynthesis around to keep somebody and something, even a few robins, alive. Playing around with his own figures, Mr. Maddox says the atmosphere of the earth, which weighs more than 5,000 million million tons, has more than a million tons of air for each human being. The earth's water is so voluminous that each living person's share would fill a cube half a mile in each direction. Denying the utility of comparing "spaceship earth" to one of the Apollo moon capsules, Mr. Maddox says human activity, "spectacular though it may be, is still dwarfed by the human environment."

Dirty Old Nature

Nature itself has provided instances of pollution that make

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even the multiple car exhausts of all the Los Angeles freeways seem piddling by comparison. Mr. Maddox mentions the disappearance of the Pacific island of Krakatoa in a volcanic eruption in 1887. The explosion threw more than a million tons of dust into the stratosphere, and for years thereafter this dust provided the world with gorgeous sunsets. The dust also reduced the amount of solar energy reaching the earth, and we had lower temperatures for four or five years. Eventually the atmosphere purified itself. This is not an argument for defective carburetors or smoke belching chimneys, but it should convey something to the gloom-and-doom boys who think the internal combustion engine is about to do us all in.

Mr. Maddox recognizes that Malthus, whose "law" insists that populations must continue to outstrip the food supply, has some contemporary relevance in places like India. As an Englishman, however, he is quite aware of what happened to his own nation as it became industrialized. The pace of population growth slows down in countries whenever the need for juvenile farm hands becomes less important to families, and Mr. Maddox is sure that the British experience of a lowered birth rate will be repeated in all the underdeveloped countries as the factories move in. A family with a two-child preference in countries that have decent hygiene doesn't need a third and a fourth child for "insurance" as it did in the days of yellow fever and diptheria epidemics. Mr. Maddox wrote his book before the statisticians pointed to a real approach to zero population growth in the United States, but he was sure the curves were about to level off here as they had already leveled off in Sweden, Bulgaria, Japan and elsewhere. His verdict: the population explosion "has all the signs of being a damp squib."

The Green Revolution

Even in the Asiatic countries that are not yet industrialized, the so-called green revolution is enabling the local farmers to keep a jump or two ahead of Malthus. Mr. Maddox may sound overlyrical in his praise of miracle rice and the new "Mexi-Pak" wheat, but in spite of the risk of disease in highly specialized strains of cereals the green revolution is a demonstrated success. What is now happening in Asia has yet to happen in Africa and South America, but if Mexican wheat can help save India there is no reason to believe it can't thrive in Latin American lands that look to Mexico for leadership.

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Even though the appropriation for cleaning up the atmosphere hasn't been what the ecologists want, it is not true that pollution is on the increase in American cities. Mr. Maddox says that Chicago reached its air pollution peak in 1965. Since then the carbon monoxide in Chicago air has "decreased most spectacularly." In New York the peak was reached in 1968. In London smog disappeared after the Clean Air legislation of the Fifties; there is no reason, says Mr. Maddox, why the London experience can't be repeated in the United States.

Mr. Maddox's book has special significance in that it comes from an ecologist who is himself in earnest about cleaning up the skies, the streets and Lake Erie. When a bona fide environmentalist tells us that we can continue to have industrial growth and a rise in the standard of living without adding to poisons and litter and overcrowding, it is good news indeed.

▶ THE NEW TOTALITARIANS by Roland Huntford (New York: Stein & Day, 1971) 354 pp., $10.

Reviewed by Allan C. Brownfeld

SWEDEN, once labeled the middle way, is now totalitarian, reports the *London Observer's* Scandinavian correspondent. This total state is benign. Such words as individuality and freedom have lost their traditional meaning, having long been neglected in practice. People are passive, and so there is no need to employ the instruments of incarceration and the firing squad to keep them in line. Sweden reminds Huntford of *Brave New World* where Huxley told us that "A really efficient totalitarian state would be the one in which the all-powerful executive of political bosses and their army of managers control a population of slaves who do not have to be coerced, because they love their servitude."

Sweden is run by nonelected bureaucrats, and the Diet, which is elected, is virtually powerless. The Diet has neither a say in running the civil service, nor the ability to influence the administrative process. Cabinet ministers and senior bureaucrats are privileged to rule by administrative orders, which the Diet is prohibited from debating and over which it has no say. Most of the rules and regulations that govern Sweden are be-

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yond parliamentary control, and the power of the bureaucracy has been extended to almost all aspects of society, even reaching into the home.

The Directorate of Social Affairs has total authority concerning the custody of children. An administrative order issued by a party official is sufficient to take any child away from its parents and have it brought up by any person or institution and in any way seen fit. Courts of law have no say in this matter, and there is no way that a parent can oppose an order depriving him of custody of his own child.

"At no point is it possible," states the author, "to invoke the due process of law, and parents may not be present at the civil service boards which discuss the removal of children from their homes. . . . In 1968, 21,000 children were removed from their parents' custody. This is about 1 per 350 inhabitants."

Academic freedom has never been known in Sweden. From the start, university professors have been appointed directly by the government; curricula and even the detailed content of individual lectures were decided by ecclesiastical functionaries and state officials. Mr. Sven Moberg, deputy Minister of Education, explains the goal of education in today's Sweden: "Education is one of the most important agents for changing society. . . . Its purpose is to turn out the correct kind of person for the new society. The new school rejects individuality, and teaches children cooperation. Children are taught to work in groups. They solve problems together; not alone. The basic idea is that they are considered primarily as members of society, and individuality is discouraged."

Culture is also dominated by the state and used for its own political purposes. The center of the Swedish stage is the Royal Dramatic Theater in Stockholm, a state institution. The artistic director, Erland Josephson is of course a member of the Social Democratic Party which has ruled the country since the 1930s. "The purpose of the theater," he says, "is to expand emotional life. A country must have a rich emotional life. Without this, politicians cannot bring about changes or appeal to the public. You see, our people are emotionally and culturally underdeveloped. The arts, particularly the theater, are being used to accelerate and bring about a maturing of emotional life."

The drama, says Josephson, must promote the intentions of the Government. Nothing that contradicts the changes in Swed-

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ish society is permitted to appear. "Education," he says, "is turning out people who have learned to fit into society. So that means I won't allow any plays that glorify the individual. That excludes most of the romantic dramatists, like Schiller. And it definitely cuts out most of Ibsen. *Brand* and *Peer Gynt* are two Ibsen plays I definitely do not want to see performed."

While we are told how happy and content the Swedes are, Mr. Huntford reports that crime in Sweden increased from 250,000 cases in 1960 to 500,000 in 1970. During 1969-70 there was a 20 per cent increase in thefts, 16 per cent in robberies, 62 per cent in check-passing, and violent crimes increased by 40 per cent in 1969. Seventy-five per cent of all crimes in Sweden are committed by children and youth between the ages of 10 and 25. Despite "sexual liberation," rape increased by 65.2 per cent between 1963 and 1967.

There are a few cracks in the unappetizing picture drawn by Huntford. One such is the recent defection from Prime Minister Palme's majority. Another is the built-in economic inefficiency of a centrally directed technocratic system. A third is the accumulation of evidence that there is a shift in public opinion, denoting a loss of faith in the system. In a new book by Sture Källberg, *Report from a Swedish Village*, the natives come through as resigned and cynical, complaining of monotony and critical of officialdom, uncertain of where they are or where they want to go. Sweden has matured; those who walked the road to serfdom have finally arrived.

▸ THE POLITICAL CULTURE OF THE UNITED STATES by Donald J. Devine (Boston: Little, Brown & Co., 1972) 383 pp., $7.95

Reviewer: Allan C. Brownfeld

IT IS EASY to mistake the pop culture for reality, and those who spend a great deal of time watching television and reading headlines are apt to fall into such a trap. A basic element of "fashionable" thought is that American politics is hopelessly unrepresentative of the American people, that most citizens are receiving a raw deal and would like nothing more than to turn the system upside down. Thus, radical intellectuals call for revolution in the name of the people, while the only revolution the people seem interested in is one against the intellectual elite itself.

A recently published scholarly study, *The Political Culture of the United States*, by Professor Donald J. Devine of the Univer-

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sity of Maryland, leads to these conclusions and many more.

Professor Devine explores in great detail the nature of our value consensus, as reflected in opinion polls, and finds these values to be largely in "the liberal tradition," having little relationship, of course, with the political tendency which today calls itself "liberal." Professor Devine notes that this liberal tradition coincides with the writings of the political philosopher John Locke: "Locke saw man as rational and free, and his consent is needed for government to be legitimate. He is unrestricted in that he begins life with a mind like a white paper – not unlike America before settlement. But this man also has a tradition within which his reason operates. This is especially so for his values, which are based upon a natural law . . . Locke viewed government as contracted by this complex but essentially free man to preserve himself from the insecurity of the state of nature. Government was thus somewhat unnatural – limited to protecting the individual's life, liberty and property through popular consent, established laws, impartial judges, and limited but effective executives. A government that exceeds these bounds is illegitimate . . ."

The liberal tradition about which there exists a consensus is one which calls for a very strictly limited government, whose primary function is to insure man's freedom and protect his life and property. Those in the political process today who speak of taxing the rich and bestowing their property among the poor are speaking in direct opposition to a basic element of our own liberal tradition. *The Federalist Papers* (No. 1, p. 36) states: "The diversity in the faculties of men from which the rights of property originate, is not less an unsuperable obstacle to a uniformity of interests. The protection of these faculties is the first object of government. From the protection of different and unequal faculties of acquiring property, the possession of different degrees and kinds of property immediately results."

In his *Second Treatise,* John Locke set forth in no uncertain terms the value of private property. He noted that, "The great and chief end, therefore, of man's uniting into commonwealths and themselves under government, is the preservation of their property; to which in the state of nature there are many things wanting . . . Every man has a property in his own person. This nobody has any right to but himself. The labor of his body and the work of his hands, we may say are properly his. Whatsoever, then, he removes out

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of the state that nature hath provided and left it in, he hath mixed his labor with it, and joined to it something that is his own, and thereby makes it his property."

In the American political tradition, states Professor Devine, "property is necessary because its protection insures that individual liberty and achievement possibilities survive . . . Property is a basic liberal value because its protection allows the individual to be free and secure."

Those who advocate more state intervention into the lives of individuals are calling for a policy which the overwhelming majority of Americans reject. The author's analysis of public opinion surveys indicates that more than eight out of ten choose liberty over economic security and seven out of ten choose individual freedom over duty to the state. Seven out of ten support freedom of the press while more than 95 per cent support freedom of speech. Eighty-one per cent prefer private over public ownership of property and six out of ten support achievement more than job security.

Professor Devine believes that too many men in politics attempt to please a radical intellectual elite which has views which are at variance with the views of the majority of Americans, rather than the people themselves. The views of the majority are set forth in detail in *The Political Culture of the United States*. If the author's thesis is correct, political stability and political and economic freedom will continue into the future, despite those who challenge them today – that is, if the will of the people has anything to do with it.

▸ THE BONHOEFFERS: PORTRAIT OF A FAMILY by Sabine Leibholz-Bonhoeffer, with a Foreword by Lord Longford and a Preface by Eberhard Bethge (New York: St. Martin's Press, 1972) 203 pp., $7.95

Reviewer: Dr. Gottfried Dietze

WHETHER ONE BELIEVES that history is made by great men or by the masses, certainly the progress of history is unthinkable without individuals standing out in greatness from what has been amassed around them, by standing up for their beliefs against the powers of this world. It may be added that the greatness of our civilization is due in a large measure to the fact that men again and again have had the courage to challenge what was fashionable. This is why the idea of freedom has relevance to all men irrespective of color, creed, or national origin, why the idea is older than Adam Smith and, indeed, timeless.

One of the men who stood up to

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oppression in the not too distant past was Dietrich Bonhoeffer, a young Protestant theologian martyred by the National Socialists in a concentration camp at the end of World War II. When Hitler came to power Bonhoeffer went on the air saying that an individual feels the need of submitting himself to a leader only to the extent that he is not mature or responsible enough to do good by himself. From then on to his famous *Letters from Prison,* Bonhoeffer courageously resisted National Socialism and wrote his influential books. His life was the more remarkable in view of the fact that he left a safe haven in the United States and returned to Germany although he had been warned and knew that he would get into trouble there, feeling that his teaching would be more necessary under a government which oppressed religion than in a nation known for religious tolerance.

The attractive, well-illustrated book here reviewed, written by his twin sister, provides frank insights into Bonhoeffer's attitudes and beliefs, bringing in many personal remembrances. The author also vividly portrays the family she and her twin brother belonged to, one which Lord Longford calls the most remarkable family of our time, "with their distinguished ancestry on both sides, their father perhaps the leading psychiatrist in Germany, the eight children all extremely gifted." Certainly, the whole family courageously opposed National Socialism. Aside from Dietrich, another brother, Klaus, and two brothers-in-law, Hans von Dohnanyi and Rüdiger Schleicher, were killed by Hitler's men.

In a human and touching way the author also describes her own life. Married to Gerhard Leibholz, a "non-Aryan" professor of constitutional law who due to Hitler's racism had to leave his professorship in Göttingen, her account shows the ostracism and persecution suffered under socialism of the nationalist brand. The book describes the family's flight to Switzerland and England, where they lived until 1947, when Dr. Leibholz resumed his professorship and became an outstanding judge of West Germany's highest court.

The book is a well-written and fascinating document of contemporary history. In a way, the ordeal of the Bonhoeffers is representative of the experience of all those who courageously resist oppression and who suffer the inevitable consequences.

It was said above that freedom is older than Smith's *Wealth of Nations,* generally credited with having ushered in the era of liberalism. And yet, that era perhaps

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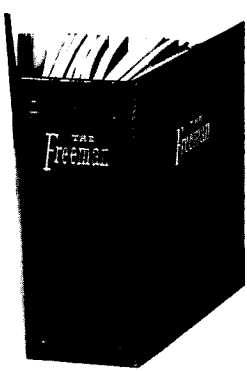
constitutes the climax in the history of freedom. This reviewer asked himself whether the family here described is not a typical product of the liberal era with its sense of individualism, propriety, honesty and achievement. All these values have increasingly come under challenge since World War I, when socialism made deep inroads upon liberalism. In our time when, as Hayek put it, the worst tend to get on top, a closely knit, distinguished family like the Bonhoeffers becomes increasingly a reminder of a past age, just as individualism, family life, and distinction are. Perhaps such losses are inevitable after the revolt of the masses which Ortega y Gasset described. Perhaps, therefore, our mass age which produced a regime like that of National Socialism under which the Bonhoeffers had to suffer, an age which still suffers regimes that oppress freedom, now needs a revolt against the masses. Certainly many men like those here described would be needed to accomplish that task.

The book was an immediate success in Germany where it was originally published. Danish and English editions came out before the present American edition. A Japanese translation is to follow.



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